

EXHIBIT C

Business Services Operations Manual

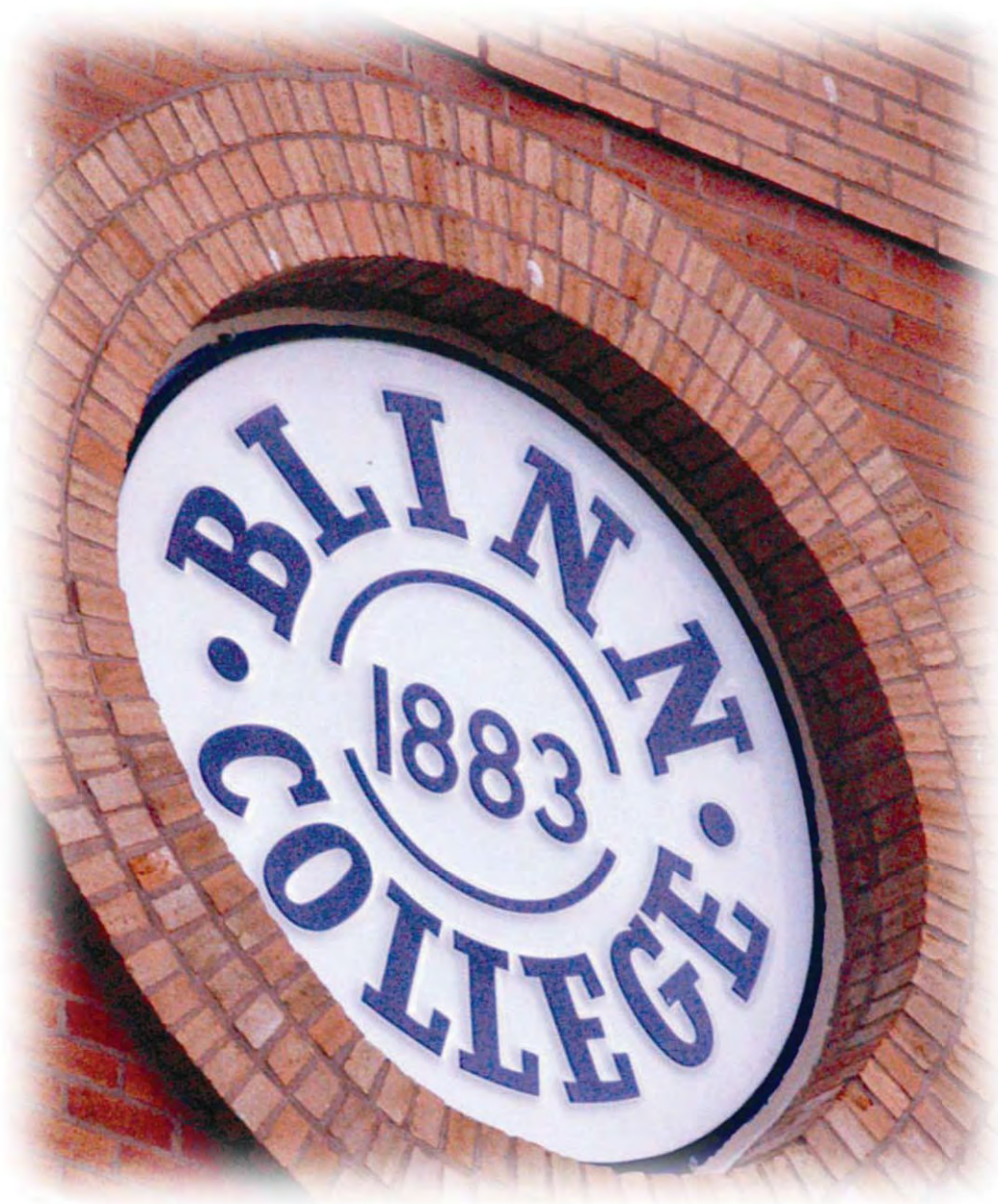


Table of Contents

1. Introduction

2. Overall Scope

- 2.1 General Ledger**
- 2.2 Student Financial Records**
- 2.3 Accounts Payable**
- 2.4 Purchasing**
- 2.5 Payroll**
- 2.6 Human Resources**
- 2.7 Audit**
- 2.8 Fixed Assets**
- 2.9 Treasury - Investments**
- 2.10 Budgeting**
- 2.11 Facilities**
- 2.12 Grants and Contracts**
- 2.13 Other Miscellaneous and Auxiliary Operations**

3. General Ledger

- 3.1 Intent**
- 3.2 Scope**
- 3.3 General Guidelines**
 - 3.3.1 Designation of Responsibilities**
 - 3.3.2 Reporting**
 - 3.3.3 Accounting Descriptions**
 - 3.3.4 Revenues and Expenses**
 - 3.3.5 Calendars & Timing**
 - 3.3.6 General Ledger Account Coding Structure**
- 3.4 Specific Guidelines**
 - 3.4.1 Account Reconciliations**
 - 3.4.1.1 Overall Procedures**
 - 3.4.1.2 Bank Accounts**
 - 3.4.1.3 Other Cash**
 - 3.4.1.4 Taxes Receivable**
 - 3.4.1.5 Investments**
 - 3.4.1.6 Inventories**
 - 3.4.1.7 Fixed Assets**
 - 3.4.1.8 Accounts Payable**
 - 3.4.1.9 Other Current Payables**
 - 3.4.1.10 Accrued Liabilities**
 - 3.4.1.11 Deferred Revenues**
 - 3.4.1.12 Bonds Payable**
 - 3.4.1.13 Other Payables**
 - 3.4.2 Monthly Closing Procedure**
 - 3.4.2.1 Revenue Recognition**
 - 3.4.2.1.1 Ad Valorem Taxes**
 - 3.4.2.1.2 Gifts, Contracts and Grant Awards**
 - 3.4.2.1.3 Tuition**
 - 3.4.2.1.4 State Appropriations**
 - 3.4.2.1.5 Sales and Service of Educational Activities and Other Miscellaneous Income**

- 3.4.2.1.6 Interest Income
- 3.4.2.1.7 Auxiliary Enterprises
- 3.4.2.2 Expense Recognition
- 3.4.2.3 Journal Entry Preparation
- 3.4.2.4 Other Monthly Procedures
- 3.4.2.5 Financial Statement
Preparation and Presentation
- 3.4.3 Year End Procedures

4. Student Financial Records

- 4.1 Intent
- 4.2 Scope
- 4.3 General Guidelines
 - 4.3.1 Designation of Responsibilities
- 4.4 Specific Guidelines
 - 4.4.1 Registration
 - 4.4.1.1 Registration for Credit Classes - Regular
 - 4.4.1.2 Registration for Credit Classes - Early
 - 4.4.1.3 Registration – Workforce Education
 - 4.4.1.4 Registration – For Students Who Receive
Student Financial Aid/Scholarship
 - 4.4.2 Tuition Installment Plan
 - 4.4.2.1 General Statement of Compliance
 - 4.4.2.2 Implementation
 - 4.4.2.3 Designation of Responsibilities
 - 4.4.2.3.1 College Responsibilities
 - 4.4.3 Receipts & Deposits
 - 4.4.3.1 Receipts & Deposits – College
 - 4.4.3.1.1 Payment of Tuition, Fees and Depositing
Procedures
 - 4.4.3.1.2 Scholarship Checks
 - 4.4.3.1.3 Workforce Development Checks
 - 4.4.3.1.4 Other Receipts
 - 4.4.3.2 Basic Procedures for Receipts and Deposits
 - 4.4.3.2.1 Vending Checks
 - 4.4.4 Refunds
 - 4.4.4.1 Refunds – Students Enrolled In Regular Credit
Classes
 - 4.4.4.2 Refunds – Students Enrolled In Community
Education Classes
 - 4.4.5 Returned Checks - NSF
 - 4.4.6 Collections
 - 4.4.7 Account Reconciliation
 - 4.4.8 Federal and State Financial Aid Grants
 - 4.4.8.1 TPEG
- 4.5 Government Reporting
 - 4.5.1 Foreign Person’s Scholarship Withholding (1042’s)
 - 4.5.2 1098-T
 - 4.5.2.1 Prior year 1098-T Information

5. Accounts Payable

- 5.1 Intent
- 5.2 Scope

5.3 General Guidelines

5.3.1 Designation of Responsibilities

5.3.2 Calendars & Timing

5.3.3 Tax Exemptions

5.3.4 Types of Disbursements

5.3.5 General Purchasing Guidelines

5.4 Specific Guidelines

5.4.1 Procedures For Ordering Merchandise and Initiating Check Requests

5.4.1.1 Purchase Requisitions and Purchase Orders

5.4.1.2 Initiating Check Requests

5.4.2 Employee Travel

5.4.2.1 Travel Authorization Guidelines

5.4.2.2 Employee Expense Form Guidelines

5.4.3 Procedures for Receiving Merchandise and Invoices

5.4.3.1 Receiving Merchandise

5.4.3.2 Receiving Invoices

5.4.3.3 Invoices Received Against Blanket Purchase Orders

5.4.4 Payment of Bills and Check Processing Procedures

5.4.4.1 Matching Invoices to Documentation for Approval

5.4.4.2 Check Payment Process

5.4.4.3 Selecting Checks for Payment

5.4.4.4 Printing, Signing and Issuing Checks

5.4.5 Procedure for Unclaimed Checks

5.4.5.1 A/P Vendor

5.4.5.2 Payroll

5.4.6 Void Check Procedures

5.4.7 Funding of Accounts & Fund Transfers/Charges

5.4.8 Year End Procedures for Accounts Payables/Encumbrances

5.4.9 Year End Procedures for Tax Reporting (1099's)

5.4.9.1 General Guidelines

5.4.9.2 Reporting Procedures

6. Purchasing

6.1 Intent

6.2 Scope

6.3 General Guidelines

6.3.1 Designation of Responsibilities

6.3.2 General Principles

6.3.3 Board Policy Relative to Purchase Transactions

6.3.4 Taxation Status

6.4 Specific Guidelines

6.4.1 Bid Specifications

6.4.2 Requisitions

6.4.3 Forms of Purchase

6.4.3.1 Types of Purchase Orders

6.4.4 Purchasing of Professional Services

6.4.5 Emergency Purchases

6.4.6 Inter-local/Cooperative Agreements

7. Payroll

7.1 Intent

7.2 Scope

7.3 General Guidelines

7.3.1 Designation of Responsibilities

7.3.2 Calendars & Timing

7.3.3 Types of Payroll

7.4 Specific Guidelines

7.4.1 Employee Records & Maintenance: Hiring, Changing & Terminating

7.4.2 Bi-Monthly Procedures

7.4.3 Direct Deposit Issuance Procedures

7.4.4 Payroll Payables

7.4.5 Payroll Tax Depositing & Reporting Procedures

7.4.6 Reports

7.4.7 Sick, Vacation, Comp Time and Other Leaves

7.4.8 General Ledger Interface and other Monthly Reporting

7.4.9 End of Quarter Reporting

7.4.10 End of Year Reporting

7.4.11 Record Retention

8. Human Resources

8.1 Intent

8.2 Scope

8.3 General Guidelines

8.3.1 General Statement of Purpose

8.3.2 Designation of Responsibilities

8.3.3 Organizational Report

8.4 Specific Functional Areas

8.4.1 Compensation and Personnel Budget Administration

8.4.2 Benefits Administration

8.4.3 Payroll Administration

8.4.4 Generalist Administration

8.4.5 Human Resource Manager – Bryan Campus

8.4.6 Human Resource Specialist

8.4.7 Other Sources of Information

9. Audit

9.1 Intent

9.2 Scope

9.3 General Guidelines

9.3.1 General Statement of Audit Guidelines

9.3.2 Designation of Responsibilities

9.3.3 Internal Control Procedures

9.4 Specific Guidelines

9.4.1 External Audit

9.4.2 Internal Audit

10. Fixed Assets

10.1 Intent

10.2 Scope

10.3 General Guidelines

10.3.1 Designation of Responsibilities

- ## 12. Budgeting

- Revised 10/2013

12.5.6 Special Items

13. Facilities

13.1 Intent

13.2 Scope

13.3 General Guidelines - Student and Community Use of District Facilities

13.3.1 Designation of Responsibilities

13.3.2 Board Policy

13.3.3 Groups Permitted To Use Facilities

13.3.4 Building Usage Restrictions

13.4 Specific Guidelines - Student and Community Use of District Facilities

13.4.1 Applications for Use of Facilities

13.4.2 Payment for Rental of Facilities

13.4.3 Maintenance, Renewal and Replacement of Facilities

13.4.3.1 Policy

13.4.3.2 Procedure

13.5 General Guidelines - Usage of College Vehicles

13.5.1 Designation of Responsibilities

13.5.2 Board Policy

13.5.3 General Guidelines

13.6 Specific Guidelines - Usage of College Vehicles

13.6.1 Procedures for Vehicle Check-Out

13.6.2 Maintenance of College Vehicles

13.7 Forms

14. Grants and Contracts

14.1 Intent

14.2 Scope

14.3 General Guidelines

14.3.1 Designation of Responsibilities

14.3.2 Responsibilities of the Grant Managers

14.3.3 Grant Funding Sources

14.3.4 Other General Guidelines

14.4 Specific Guidelines

14.4.1 Procedures to Implement Grants

14.4.2 Normal Monthly Processing

14.4.3 Budget Revisions, Changes and Overages

14.4.4 Reporting Requirements

14.4.5 Grants Closure

14.4.6 Year End Accounting

14.4.7 Grants Auditing

15. Other Miscellaneous and Auxiliary Operations

15.1 Intent

15.2 Scope

15.3 General Guidelines

15.3.1 Board Policy for Auxiliary Operations

15.3.2 Description of Auxiliary Services

15.4 Specific Guidelines - Food Service

15.5 Specific Guidelines - Library

Introduction

The purpose of this manual is to provide business services procedures for the Departmental Manager, with minimal time requirements and maximum accuracy.

Each Departmental Manager should be able to follow the guidelines outlined in each section and successfully implement action required to achieve appropriate results. Examples of forms, schedules and process charts have been included with most sections and can be referred to when reviewing that area.

This manual has been written in compliance with the Blinn College District Policy Manual, unless otherwise noted, and will refer to those sections as appropriate in parentheses. Other guidelines may have been developed to assist the Manager, in compliance with proscribed Blinn College District Board Policies and other governmental requirements.

Overall Scope

The scope of this manual shall include the following major areas. The Manager should refer to each area for its specific guidelines.

2.1 General Ledger

The scope of this section is to outline specific procedures necessary to maintain the General Ledger. These procedures will identify and outline the specific functions to be performed, the regularity that those functions must be performed and the designated responsible individuals involved from the District Business Offices.

2.2 Student Financial Records

The scope of this section is to outline specific procedures necessary to maintain accurate Student Financial Records.

2.3 Accounts Payable

The scope of this section is to outline specific procedures necessary to process Accounts Payable and make payments on behalf of the District.

2.4 Purchasing

The scope of this section is to outline specific procedures necessary to direct the purchasing and contract practices of the District in order to provide the best value to the District and to be in compliance with Texas State Law.

2.5 Payroll

The scope of this section is to outline specific procedures necessary to accurately and timely process the payroll for the District. The following procedures will compliment the *Administrative Policy Manual*. Certain specific procedures may refer the user to this manual for more detail instructions.

2.6 Human Resources

The scope of this section is to present the guidelines developed by the Human Resources Department that will provide excellent, internal consulting to top management by providing expertise in the planning, developing and implementing the District's human resources programs and providing staff assistance to managers throughout the organization in implementing the Board of Trustee's Personnel Policies.

2.7 Audit

The scope of this section is to provide general overall guidelines necessary to develop an audit plan that will allow management to have reasonable assurance about whether the financial statements are free of material misstatement.

2.8 Fixed Assets

The scope of this section is to outline specific procedures necessary to maintain appropriate stewardship pertaining to the Fixed Assets of the District.

2.9 Treasury - Investments

The scope of this section is to outline specific procedures necessary to oversee and administer the Treasury function and the resulting investments of the District. These procedures will

1. identify and outline fund accounts, debt service requirements, and allowable investments,
2. the manner in which each will be maintained and
3. the designated responsible individuals.

2.10 Budgeting

The scope of this section is to provide guidelines to the development of an annual budget.

2.11 Facilities

The scope of this section is to outline specific procedures necessary to allow for the usage of the College District facilities and vehicles. These procedures will identify the specific forms to be completed and the responsible individuals at the College District from whom usage must be requested.

2.12 Grants and Contracts

The scope of this section is to outline specific procedures necessary to seek, receive and monitor funds granted from external sources.

2.13 Other Miscellaneous and Auxiliary Operations

The scope of this section is to specify procedures to be followed when using various auxiliary services, incidental to the operations of the College District.

General Ledger

3.1 Intent

To provide procedures that will insure conformity in the gathering of information and the eventual discernment of that information on a District-wide basis while efficiently employing the resources and time of the District's employees.

The District shall maintain its financial records and submit reports to the Board of Trustees in accordance with the most recent edition of the Coordinating Board's Financial Reporting System for Public Community Colleges in Texas (19 TAC 13.2).

These procedures will allow the Board of Trustees to be in compliance with the reporting requirements and the objectives as stated in the Blinn College Policy Manual, Sections CD (Legal) and CDA (Legal).

3.2 Scope

The scope of this section is to outline specific procedures necessary to maintain the General Ledger. These procedures will identify and outline the specific functions to be performed, the regularity that those functions must be performed and the designated responsible individuals involved from the District Business Office and Accounting.

3.3 General Guidelines

3.3.1 Designation of Responsibilities

The responsibility for the maintenance and upkeep of the General Ledger lies with the Director of Accounting. This individual has the assistance of Accountants and other personnel as deemed necessary.

3.3.2 Reporting

The accounts of the District are maintained in accordance with GASB 34/35 as a special government engaging in business type activities formed to provide a single program for which fees are charged to external users for goods and services.

The basic audit statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Accrual basis meaning whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay. The basic audit statements are:

1. Statement of Net Assets,
2. Statement of Revenues, Expenses, and Changes in Net Assets
3. Statement of Cash Flows

3.3.3 Account Descriptions

Accounts will still be maintained by funds for the observance of limitations and restrictions on the resources available. Net asset (fund balances) will be comprised of:

1. Invested in capital assets, net of related debt: represents the Blinn College District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. Capital Assets are reported at historical cost, net of accumulated depreciation. Capital Assets that are not depreciated are land, infrastructure, and collections.
2. Restricted net assets-nonexpendable: net assets that are subject to externally imposed provisions that they be maintained permanently by the College District.
3. Restricted net assets-expendable: net assets that are subject to externally imposed provisions that they be maintained permanently by the College District.
4. Restricted net assets: net assets include resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.
5. Unrestricted net assets: net assets that represent resources derived from student tuition and fees, State Appropriations, and sales and services of educational departments and auxiliary enterprises (are substantially self-supporting activities that provide services for students, faculty and staff).

3.3.4 Revenues and Expenses

Revenues are categorized by operating (program revenues), non-operating revenues, auxiliary operations, and capital contributions, additions to endowments, special and extraordinary items and transfer. Revenues are reported by unrestricted and restricted, net of discounts and allowances.

Expenses are reported by function, except those that are special or extraordinary items. Functional expenses are defined as the "direct" expenses specifically associated with a function, and would not include allocations of indirect expenses. They are reported by unrestricted and restricted. The functions are listed below separated by fundable and non-fundable for formula funding according to the THECB.

Fundable Functions and definitions are:

1. Institutional Support – this category includes expenses for (1) central executive level management and long-range planning of the entire institution; (2) fiscal operations; (3) administrative data processing; (4) space management; (5) employee personnel and records; (6) logistical activities that provide procurement, storerooms, safety, security, printing and transportation services to the institution; (7) support services for faculty and staff that do not operate as auxiliary enterprises; (8) activities concerned with community and alumni relations, including development and fundraising; and (9) bad debt related to tuition and fee revenue.
2. Student Services – this category includes funds expended for offices of admissions and the registrar and activities that primarily contribute to students' emotional and physical well being and to their intellectual, cultural, and social development outside the context of the formal instruction program.
3. Academic Support – this category includes funds expended primarily to provide support services for the institution's primary missions. It includes: (1) the retention, preservation, and display of educational materials, i.e. libraries, museums, and galleries; (2) academic administration, i.e. deans' salaries and office expenses; (3) technical support, i.e., computer services and audio-visual information; and (4) separately-budgeted support for course and curriculum development and organized activities related to instruction.
4. Scholarships – this category should include expenses for scholarships and fellowships, excluding tuition resources and exemptions, in grants to students either from selection by the institution or from an entitlement program.
5. Instructional Programs – this category includes activities that are part of an institution's credit and non-credit (fundable-only) instructional programs included academic, vocational, technical, and remedial instruction. Expenses should be reported within the fundable programs categories as reported on CMB004.

Non-Fundable Functions and definitions:

1. Public Service – this category should include expenses of activities that are established primarily to provide non-instructional services beneficial to individuals and groups external to the institution, including correspondence courses, adult student courses, public lectures, radio and television stations, institutes, workshops, demonstrations, package libraries, museums, and similar activities.
 - a. Public Service
 - b. SBDC Grant
 - c. Non-credit (non-fundable) instructional programs
 - d. Museum
2. Operational of Physical Plant – this category should include all expenses for the operation and maintenance of physical plant, net of amounts charged out to auxiliary enterprises and other independent operations.
 - a. Plant Support Services
 - b. Building Maintenance
 - c. Custodial Services
 - d. Grounds Maintenance
 - e. Major Renovations and Repairs < \$100,000
 - f. Depreciation – recorded for audit financial purposes
 - i. Buildings and real estate improvements
 - ii. Equipment used for maintenance purposes

3. Auxiliary Enterprises – this category should include all expenses of enterprises that furnish goods or services to students, faculty, staff, or incidentally to the general public and charge a fee directly related to, although not necessarily equal to, the cost of the goods or services.
- a. Housing
 - b. Food Services
 - c. Bookstore
 - d. Athletics
 - e. Student Center
 - f. Student Activities/Associations
 - g. Misc. Auxiliary

3.3.5 Calendars & Timing

EVENT	TIMING
Payroll Interface: payroll expenses, liabilities and checks	Payroll is posted when the system posting transaction is run semi-monthly. Cycle 1 is posted on the 20 th and Cycle 2 is posted 20 th and 5 th (posted interactively).
Payables Interface: accounts payable liabilities and checks	Payables are posted to payable liability at the time the accounts payables are posted. Checks are posted to general ledger at the time of check processing.
Journal Entries	Journal Entries are posted daily and/or monthly.
General Ledger Closing, Normal Monthly	Occurs on the 3rd working day after end of calendar month, except year end.
Financials, Normal Monthly	Due Thursday, one week before the 2nd Tuesday of the month.
General Ledger Closing, Year End	General Ledger is kept open until reconciliations are performed and adjustments are made.
Financials, Year End	Due for audit to be performed in September-December.
Audit, Year End	Completed November annually in time for the Board meeting scheduled for December.
Final Year End Audit Report	Due to the Coordinating Board by January 1.

3.3.6 General Ledger Account Coding Structure

In order to maintain the appropriate cost records and charge the appropriate budget, a system of General Ledger Account Codes is maintained by the Director of Accounting, General Accounting in the College Accounting Department. This system enables Cost Center Managers to track expenditures by fund, location, program area, program, department and object of expense. The Account Code consists of four (4) segments. An example is:

General Ledger Account Code			
1	2	3	4
10	1	242	7999

1 - Fund Number

The Fund Number consists of the fund type and specific fund. The specific fund in the example is "10" or the Unrestricted Operating Fund. Most expenses are charged to the accounts in this fund. Series "1" funds are unrestricted. The following is a summary list of fund numbers (a more complete list can be found at the end of this section):

Fund Description	Numbers	Type
General	10	Unrestricted
Auxiliary	15	Unrestricted
Museum	16	Unrestricted
Grants/Contracts	11,13,21-29	Restricted
Federal/State Financial Aid	20	Restricted
3 rd Party Billings	30	Restricted
Endowments	40	Restricted
Outside Scholarships	50	Restricted
Unexpended Plant Funds	61,63,64	Restricted
Agency-Restricted	90	Restricted
Cash Imprest Funds	97,98	Pooled Cash
Pooled Cash Fund	99	Pooled Cash

2 – Campus Number

The Campus Number is a site location. The Brenham Campus, Brazos Valley, Workforce Education, Sealy and Schulenburg Campuses are in the location "2" part of the budget code (exceptions are Administrative "0" and Museum "3" which are shown as Brenham Campus "1").

Campus	Numbers
Administrative	0
Brenham Campus	1
Brazos Valley Campuses	2
Museum	3
Workforce Development	4
Sealy Campus	5
Federal Prison	6
State Prison	7
Schulenburg Campus	8

Other

9

3 - Department Code

This is the Code to distinguish between departments. Only the budgeted departments are shown. Function Codes are to group the departments according to the National Association of Colleges and Universities Business Officers (NACUBO) standard formatting. This format is used in the THECB All Funds Expenditure Report and the Annual Financial Audit (AFR).

Fund	Department Code	Description	Function Code	Function Description
15	000	Bryan Property Rent	59	Rental Property
10	001	Government of Institution	01	General Institutional
10	005	President's Office	02	General Administration
10	006	Admin/Planning	02	General Administration
10	008	Service Learning	01	General Institutional
10	009	QEP	01	General Institutional
10	010	Administrative Services	02	General Administration
10	011	Accounting	02	General Administration
10	012	Human Services	02	General Administration
10	013	Purchasing	02	General Administration
10	014	Payroll	02	General Administration
10	015	Business Office	02	General Administration
10	016	Sacs	01	General Institutional
10	017	Risk Manager	02	General Administration
10	018	Academic/Administrative Software	02	General Administration
10	020	Admin Computing Svc	02	General Administration
10	021	Academic Computing Svc	05	Academic Support
10	030	Student Services	14	Student Services
10	032	Recruiting	14	Student Services
10	033	Admissions/Records	14	Student Services
10	034	Disability Services	14	Student Services
10	035	Student Activities	14	Student Services
10	036	Enrollment Services	14	Student Services
15	040	Housing Department	51	Housing Auxiliary
10	041	Student Affairs	14	Student Services
10	045	Financial Aid	14	Student Services
10	050	Guidance/Counseling	14	Student Services
10	060	Public Information	01	General Institutional
10	061	Institutional Membership	01	General Institutional
10	062	Conventions/Public Lectures	01	General Institutional
10	063	Mail Services	01	General Institutional
10	064	Telephone Service	01	General Institutional
10	065	Legal Fees/Insurance/Other	01	General Institutional
10	066	Resource Development	01	General Institutional
10	067	Institutional Effectiveness	01	General Institutional
10	068	General Institutional	01	General Institutional
10	070	Benefits	13	Unallocated staff benefits
10	080	Agriculture	04	Instruction
10	081	Home Economics	04	Instruction
10	082	Industrial Education	04	Instruction
10	083	Drafting	04	Instruction
10	085	Business	04	Instruction
10	086	Computer Science	04	Instruction
10	087	Economics	04	Instruction
10	088	Academic Computer Lab	04	Instruction
10	090	English	04	Instruction
10	091	Foreign Language	04	Instruction
10	092	Journalism	04	Instruction

10	094	Art	04	Instruction
10	095	Speech	04	Instruction
10	096	Drama	04	Instruction
10	097	Vocal Music	04	Instruction
10	098	Band	04	Instruction
10	099	Music	04	Instruction
10	100	Drill Team	04	Instruction
10	105	Social Science	04	Instruction
10	106	Psychology	04	Instruction
10	110	Biology	04	Instruction
10	111	Physics	04	Instruction
10	112	Chemistry	04	Instruction
10	113	Geology	04	Instruction
10	115	Kinesiology	04	Instruction
10	120	Parallel Studies	04	Instruction
10	121	Math	04	Instruction
10	122	Reading	04	Instruction
10	124	Learning Centers	04	Instruction
10	125	Open Learning Lab	04	Instruction
10	126	Alternative Certificate Program	04	Instruction
10	128	Honors Program	04	Instruction
10	130	Engineering	04	Instruction
10	131	Mathematics	04	Instruction
10	132	Substitute Teaching	04	Instruction
10	133	WE-Career/Prof	15	Workforce Education
10	134	WE-Continuing Education	15	Workforce Education
10	135	WE-Computers/Info	15	Workforce Education
10	136	WE-Home Consumers	15	Workforce Education
10	137	WE-Applied Technology	15	Workforce Education
10	138	WE-Academics	15	Workforce Education
10	139	WE-Health Occupation	15	Workforce Education
10	140	Real Estate	03	Technical Education
10	141	General Business	03	Technical Education
10	142	Off Campus Federal Prison	03	Technical Education
10	143	Accounting	03	Technical Education
10	144	Criminal Justice	03	Technical Education
10	145	Vocational Nursing	03	Technical Education
10	146	WE-Administration	15	Workforce Education
10	147	WE-Brenham Choral	15	Workforce Education
10	148	WE-Welding	15	Workforce Education
10	149	Child Development	03	Technical Education
10	150	Associate Degree Nursing	03	Technical Education
10	151	Internship	03	Technical Education
10	152	Emergency Medical Technician	03	Technical Education
10	153	Fire science	03	Technical Education
10	155	Radiological Technology	03	Technical Education
10	156	Fire Technology	03	Technical Education
10	157	Office Technology – Legal Asst	03	Technical Education
10	158	GED	03	Technical Education
10	4159	WE-Welding	15	Workforce Education
10	1159	Academic Technology	04	Instruction
10	160	Academic Affairs	05	Academic Support
10	162	Program Evaluation	05	Academic Support
10	164	Diversity Coordinator Dept	05	Academic Support
10	171	Mental Health	03	Technical Education
10	172	Physical Therapy Assistant	03	Technical Education
10	173	Dental Hygiene	03	Technical Education
10	174	Transportation Technology	03	Technical Education
10	175	Research	03	Technical Education
10	176	Medical Information	03	Technical Education

		Technology		
10	179	Distant Learning	05	Academic Support
10	180	Library	12	Library
15	181	Hammer Program	58	Student Activities
10	184	Teleconferences	05	Academic Support
16	185	Star of Republic Museum	29	Museum
10	186	The Writing Room	04	Instruction
10	187	Technical Theatre	04	Instruction
10	188	HVAC Program	03	Technical Education
15	190	Technical Ed Testing	58	Student Activities
10	191	Community Education	07	Public Service
15	193	Livestock Judging	58	Student Activities
10	200	Physical Plant	08	Plant Support
10	201	Campus Security	06	Campus Security
10	202	Building Maintenance	09	Building Maintenance
10	203	Custodial Services	10	Custodial Services
10	204	Grounds Maintenance	11	Grounds Maintenance
10	206	Vehicles Operations	08	Plant Support Services
10	210	Contingency	01	General Institutional
10	220	Major Repairs & Rehabilitations	25	Major Ren./Repairs
15	230	Football	55	Athletics
15	231	Basketball-men	55	Athletics
15	232	Basketball-women	55	Athletics
15	233	Baseball	55	Athletics
15	234	Track	55	Athletics
15	235	Athletic Director	55	Athletics
15	236	Athletic Facilities	55	Athletics
15	237	Volleyball	55	Athletics
15	238	Softball	55	Athletics
15	239	Cheerleaders	55	Athletics
15	240	Playoff Contingency	55	Athletics
15	241	Athletic Training	55	Athletics
15	250	Residence Halls	51	Housing
15	253	Apt Style Housing	15	Housing
15	256	Snack Bar	52	Cafeteria Expense
15	257	Bryan Food Service	52	Cafeteria Expense
15	260	Bookstore	53	Bookstore Expense
15	265	Game Room	56	Student Center
15	266	Student Center	56	Student Center
15	267	Performing Arts	58	Student Activities
15	270	Student Activities	58	Student Activities
15	271	PTK	57	Student Associations
15	272	Student Government	57	Student Associations
15	273	Other Student Organizations	57	Student Associations
15	275	Intramurals	57	Student Associations
15	280	Student Newspaper	57	Student Associations
15	281	Yearbook	57	Student Associations
15	282	Other Student Services	57	Student Associations
15	284	Ex-Student Assoc	57	Student Associations
15	290	Student Activity Center	58	Student Activities
15	294	UIL Activities-Athletics	58	Student Activities
15	295	UIL Activities-Academics	58	Student Activities
15	296	Rental Housing	59	Rental Housing
15	297	Testing	58	Student Activities
15	298	Vending Operations	58	Student Activities
15	299	Meet Expenses	58	Student Activities
15	300	Athletic Events	55	Athletics
15	303	Hosting Athletic	55	Athletics

Note: Departments are added periodically so this table may not be complete.

4 - Object of Expense Code

The Object of Expense Code is used to track the "what" that cost centers are spending money for. The first (1st) digit is the type of object.

Summary of Object Code Classifications, including the FINS code for grouping expenses by category and the INC code to group expenses for reporting purposes:

Expenses Description	OBJECT CODE	FINS CODE	INC CODE
Faculty	61XX	705	1500
Executive Salaries	62XX	701	1000
Professional Salaries	63XX	700	1000
Classified Salaries	64XX	703	1000
Technical Para-Professional	65XX	702	1000
Skilled Salaries	66XX	704	1000
Maintenance Salaries	67XX	707	1000
Student Wages	68XX	708	1000
Other Wages	69XX	709	1000
Fringe Benefits	7000-7099	718	1600
Maintenance	71XX-7999	720	4000
Building Maintenance	71XX-7999	725	4000
Travel/Training	71XX-7999	730	3500
Services	71XX-7999	735	3000
Consumables	71XX-7999	740	2000
Utilities	71XX-7999	750	4500
Telephone	71XX-7999	752	4500
Property/Liability Insurance	71XX-7999	753	6570
Furniture/Equipment	71XX-7999	760	5500
Capital Purchases	71XX-7999	765,770,772	5500
Scholarships, TPEG	71XX-7999	755,756	7000
Depreciation	8000-8999		8030
Bad Debts	9000		9000

Revenues object codes and income codes are below:

Revenues Description	OBJECT CODE	INC CODE
State Appropriations	3XXX	100
Health Insurance	3XXX	120
Retirement State Benefits	3XXX	130
Tuition	3XXX	200
Waivers	3XXX	250
General Fees	3XXX	295
Fees	3XXX	300
Incidental Fees	3XXX	310
Auxiliary Fees	3XXX	320
Teach Program	3XXX	350
Workforce Education	3XXX	400
Federal/State Grants	3XXX	500
Sales & Services	3XXX	600
Property Tax	3XXX	710
Other Sources	3XXX	760
Student Aid	3XXX	800
Endowments	3XXX	850
Interest/Dividends	3XXX	900

The codes that are presented are for the budgeted unrestricted funds. This may not be a complete list.

The Director of Accounting or the Accounting Manager sets up and maintains the General Ledger accounts. The Grant Accountant sets up and maintains the General Ledger accounts for Federal, State and Local Grants and Contracts.

3.4 Specific Guidelines

3.4.1 Account Reconciliations

3.4.1.1 Overall Procedures

1. Accounting Department reconciles all asset and liability accounts.
 - a. Accounts Payable Staff Accountant reconciles all the liability accounts.

- b. Grant Accountant reconciles Federal and State Financial Aid awarded to Student Accounts Receivables and General Ledger. The Accounts Payable Staff Accountant reconciles the Student Accounts Receivables listing to General Ledger. Any exceptions are analyzed and forwarded to the prospective department.
 - c. The Accounting Manager is responsible for the reconciliation of all the bank accounts and investment accounts.
- 2. All month-end balances of each account are reviewed before the close of each month for propriety.
- 3. The transfers in and transfer out accounts must be in balance before the month can close. See Monthly Closing Procedures, below.
- 4. Budgetary reports are reviewed. See Monthly Closing Procedures, below.

3.4.1.2 Bank Accounts

All Bank Reconciliations are performed by the Accounting Manager, assisted by the Accounting Clerk. The bank statements are sent directly to the Accounting Manager. Reconciliations are done before the end of the month following the month being reconciled. Reconciliations of the bank accounts where large numbers of checks are written, such as payables and payroll, will use data provided by the bank instead of individual check copies.

3.4.1.3 Other Cash

There are petty cash funds, registration drawer funds, food service cash funds and other cash funds maintained by each location.

Petty Cash - Limited to expenses (excluding memberships) up to \$75. Reimbursed as needed through the voucher system and reconciled with each reimbursement.

Registration Drawer Funds - Balance on hand in cash drawers necessary to give change to registering students. Cash collected is deposited each day along with other tuitions and fees and entered into the system at the campus level.

Food Service Cash Funds - Balance on hand in cash necessary to give change to students. Cash is deposited each day in a separate bag and an analysis is attached to account for the deposit and the cash funds.

Other Cash Funds - There may be other petty cash funds needed in certain circumstances. For instance, the pay for use machines, such as copier machines, will have a change balance and will be collected on a regular basis by the Student Center. These funds along with book fines, etc. will be turned over to the Business Office for deposit.

3.4.1.4 Taxes Receivable

As a general rule, Tax Revenues are recorded only upon receipt. Because it is impossible to accurately predict when the taxes will be paid or the amount to be paid, no accrual is made to record expected or anticipated tax revenues, *except at fiscal year end*.

At August 31, the Accounting Department will endeavor to get a confirmation of un-remitted taxes owing and will record a receivable for that portion. This receivable is only adjusted annually for differences. A more in-depth discussion of Tax Revenues can be found below under *Revenue Recognition*.

3.4.1.5 Investments

Investments are managed by the Director of Accounting. All entries to record investment activities are prepared by the Accounting Manager. Interest is allocated to each fund and to each endowment account on a monthly basis through a journal entry prepared by the Accounting Manager. An Investment Report and monthly Endowment Report are prepared monthly by the Accounting Manager as a monthly report along with the monthly financial statements to the Blinn College Board of Trustees.

3.4.1.6 Inventories

The only inventories accounted for on the General Ledger are (1) paper goods (i.e. paper, etc.), (2) postage, and (3) Museum Gift Shop Inventory. Cafeteria food and supplies are considered consumable at time of purchased and are not inventoried. The Book Store is contracted to an independent operator. Therefore, no inventory is carried.

3.4.1.7 Fixed Assets

Refer to the Fixed Assets section in this manual for more complete procedures. Only assets that are \$5,000 or more in unit value are set up as capital items.

1. It is the College's procedure that depreciation is to be recorded for these items on an annual basis at which time capital purchases are reversed out of expenses and recorded in the proper asset account.
2. Inventory tags containing Bar Code strips are provided by the Purchasing Departments to each location to be affixed to each fixed asset at the time of purchase. This number should be communicated to the Purchasing Department and forwarded on to Accounting as soon as the asset is put into service. However, reconciliation is performed on an annual basis by the Director of Accounting of the fixed asset list to the general ledger on any purchases made during the fiscal year. Items not on the list will be tagged and added to the list for audit and inventory taking purposes.
3. A physical inventory is taken by each location. This is done in cooperation with the Accounting, Risk Manager, and the Physical Plant Manager. All differences are investigated and adjustments are made at this time.

3.4.1.8 Accounts Payable

This area interfaces with the General Ledger. During account reconciliation, the Accounting Department verifies all outstanding checks in the bank account to ensure that vendors are in timely receipt of payment. Procedures for this area are more completely addressed in the Accounts Payable section in this manual.

3.4.1.9 Other Current Payables

Other current payables include clearing accounts for student loans, bookstore vouchers and other payroll related items.

3.4.1.10 Accrued Liabilities

The accrued liability account is for items such as deferred fees in the Unrestricted Current Fund and Auxiliary Funds, as applicable.

3.4.1.11 Deferred Revenues

1. Amounts for Gifts, Contracts and Grant Awards received in excess of expenditures are reported as deferred revenues.
2. State appropriations are booked on a monthly basis and the total amount received is booked as an offset to Deferred Revenues.
3. Tuition and fees recorded in the months prior to the Fall and Spring semesters are recorded as deferred revenues. The deferral is reversed and recorded appropriately over the semester term.

3.4.1.12 Bonds Payable

Bonds payable of the College consist of, combined fee revenue bonds. The Accounting Department maintains the bond indentures and other records for audit and reconciliation purposes.

3.4.1.13 Other Payables

Housing Deposits are deposits from students for housing and apartment rentals. Deposits are held and refunded only on request after student leaves. If the deposit is not requested after a period of time, the deposit is written off and any remaining monies are used for scholarships.

3.4.2 Monthly Closing Procedure**3.4.2.1 Revenue Recognition**

Revenues for the College originate from six primary sources, as discussed below:

3.4.2.1.1 Ad Valorem Taxes

1. The College has entered into agreements with the county and the county tax assessor to bill and collect the College's property taxes, based upon all real and business personal property located in Washington County, net of a collection fee.
2. Tax Revenues are recorded only upon receipt.
3. The months of December, January and February are when the majority of the tax revenues are paid to the College.
4. No accrual is made to record expected or anticipated tax revenues, except at fiscal year end.

3.4.2.1.2 Gifts, Contracts and Grant Awards

1. Gifts, Contracts and Grant Awards may come from Federal, State, Local or Private Sources and may be of a restricted or unrestricted nature.
2. The funds, when received but not expended during the reporting period, are shown as Deferred Revenues. Revenues are not recognized until they are actually expended.
3. The Grants Accountant is responsible for reconciling grant revenues to expenses. (Refer to the Grants section in this manual for more detail procedures.)

3.4.2.1.3 Tuition

1. Tuition and fees originate from two main sources: (1) regular academic and vocational/technical courses and (2) community education and workforce development classes. These are both made up of (1) tuition, (2) various fees for credit classes, offset by (3) waivers and exemptions.
2. Tuition and fees recorded in the months prior to September 1, but belonging to the fall semester and prior to January 1 but belonging to the spring semester are recorded as deferred revenues. The deferral is reversed and recorded appropriately over the semester term.
3. Other tuitions and fees for the summer semesters and mini-mesters are recorded upon receipt.
4. Registration is performed at each campus or on the website through My Blinn which is integrated into the financial systems software package. Registration items are posted interactively to student accounts in the Banner System and posted daily by the Accounting Manager to the General Ledger.

3.4.2.1.4 State Appropriations

1. The College receives funds for support, maintenance, operations and improvements from biennial appropriations of the State Legislature. This appropriation is based partially upon certified official base period contact hours submitted by the College. Refer to Board Policy, Section CAA.
2. Basic unrestricted state appropriation aid originates from two main sources (1) academic credit instruction and (2) vocational and technical instruction.
3. Restricted aid comes from (1) Remedial Education, (2) State Group Insurance and (3) State retirement matching (4) New Campus or Program Funding.
4. These deposits are direct deposits and entered in the system through a cash receipt batch.

3.4.2.1.5 Sales and Service of Educational Activities and Other Miscellaneous Income

1. Other Revenues are recorded from grant administrative fees, sales of fixed assets, foundation contributions, and other miscellaneous sources.
2. These procedures are dealt with in more detail in the Other Miscellaneous and Auxiliary Operations section of this manual.
3. The revenues from these sources are recorded through deposits and/or journal entries.

3.4.2.1.6 Interest Income

The Accounting Department monitors all investments and records interest when received, by a monthly journal entry.

3.4.2.1.7 Auxiliary Enterprises

Auxiliary Revenues are recorded from food service, housing, and other student fees through registration. Other auxiliary enterprise receipts are for rental of property, athletics, bookstore commissions, vending and other miscellaneous sales.

3.4.2.2 Expense Recognition

1. Payables interface automatically with the General Ledger system and are posted to the General Ledger on a bi-weekly basis or time of payment.
2. Payroll interfaces with the General Ledger system after a payroll is processed and batches are posted.
3. Journal Entries are prepared for monthly allocation of postage, vehicle usage, and other charges that are intercampus related. Preparation of Journal Entry procedures are outlined below.

3.4.2.3 Journal Entry Preparation

1. In addition to Accounts Payable, Purchasing and Payroll, Student Account Receivables and cash receipts are interfaced automatically with the General Ledger system.
2. All related departments have the ability to request a Journal Entry. This request can be made with support documentation to the Accounting Department and can be made at any time during the month.
3. This request is to be made to the Accounting Department for approval by the following:
 - a. Accounts Payable Staff Accountant for budgeted expenditures, postage, mileage and etc.
 - b. Accounting Manager for corrections in cash and revenues, club accounts, and endowments.
 - c. Grant Accountant for corrections on Federal, State and Local grant and contract programs.
4. Since the General Ledger closes on the 3rd working day after the close of the fiscal month, all entries or requests for entries must be received by noon on the 3rd day.
5. The Journal Entry batch ID numbering system is a manual system based on the user's initials and date prepared.

3.4.2.4 Other Monthly Procedures

The Director of Accounting will review the General Ledger concentrating on the balance sheet and revenue items to assure proper coding. Additionally, all transfers in and transfers out account must be in balance.

3.4.2.5 Financial Statement Preparation and Presentation

1. The Director of Accounting converts and customizes the information from the Bi-Tech/SunGard General Ledger system to month end financial reports on spreadsheets.
2. These reports, along with investment and endowment reports, and over \$10,000 check register are given to the CFO/Sr. VP for Finance and Administrative Services following the close of the month for review in time for production of the Board Agenda.
3. They are distributed to the Board Agenda, after approval.
4. The statements will be presented at the monthly Board Meeting held on the 3rd Tuesday of the month.
5. While the Foundation accounting is treated as a separate entity, the Accounting Manager will review financial statements, prepared by Foundation personnel, for the Foundation every quarter.

3.4.3 Year End Procedures

1. The external auditors will begin their interim work approximately 3 months prior to the end of the fiscal year end with the assistance of the Director of Accounting.
2. The Director of Accounting is responsible for the College's interface with the external auditors and is the key contact person in this area.
3. The General Ledger will not close according to the normal monthly cycle (on the 3rd working day following the end of the month), but may be held open through October, to allow for account analysis and the posting of year-end adjustments.
4. Normally, encumbrances must be relieved by the end of the year. If an encumbrance is carried over into the next fiscal year, budgets should be adjusted accordingly. Outstanding purchase orders are disencumbered and closed out through Purchasing.
5. The external auditors will usually begin the audit in late September and must prepare their report by the date of the December Board meeting. A preliminary set of audited financial reports with findings will be presented to the CFO/Sr. VP for Finance and Administrative Services in November for review.
6. A final published audit report must be completed and filed with the Coordinating Board on or before January 1 following the close of the fiscal year for which the audit was made.

Student Financial Records

4.1 Intent

To provide procedures that will be in compliance with the objectives as stated in the Blinn College District Policy Manual, Sections FBB (Legal & Local) and FN (Legal & Local).

4.2 Scope

The scope of this section is to outline specific procedures necessary to maintain accurate Student Financial Records. These procedures will identify and outline the specific functions to be performed, the regularity that those functions must be performed and the designated responsible individuals involved from both the College and Business Offices.

4.3 General Guidelines

4.3.1 Designation of Responsibilities

Many Departments are involved in the Student Financial Records process.

The *Vice President for Student Services* is responsible for the admissions and registration of students.

The CFO/Sr. Vice President Finance & Administrative Services, the *President of Brazos County Campuses*, the *Campus Director of the Schulenburg Campus* and the *Director of Sealy Campus* are responsible for the receipt and proper application of payments for the registration of students. The tasks are performed by the Enrollment Services on the Bryan and Brenham Campuses and by the *Accounts Receivable Clerks* in the Business Offices on the Schulenburg and Sealy Campuses. Each of these areas are responsible for all receipts, payment of tuitions and fees, tuition payment plans, deposits and initializing all refunds to students on their individual campuses.

The Brenham Business Office verifies that all receivable balances are accurately and timely reconciled and works closely with the campuses for this purpose. Additionally, this department works closely with the annual audit of Student Financial Records.

The *Financial Aid Department* at each campus, under the guidance of the Brenham *Director of Financial Aid* is responsible for the administration and application of the Financial Assistance Program for Blinn College. This program includes students who use grants, loans, scholarships and tuition and fees waivers and exemptions.

The Director of Accounting is responsible for all banking relations and the receipt and disposition of all funds upon deposit.

4.4 Specific Guidelines

4.4.1 Registration

4.4.1.1 Registration for Credit Classes - Regular

1. All Students register in Admissions, in person, or online through My.Blinn. First time student registrants are assigned a Student I.D. number.
2. The registration information interactively posts to the Student Accounts Receivable System through Banner. This information can be accessed by: 1) Student ID number, or 3) Last Name, First Name.
3. The student chooses to pay by:
 - a. Payment in full- the student pays their balance in full to Enrollment Services clerks utilizing cash, checks, debit cards or credit cards. Enrollment Services also processes mail payments.
 - b. Payment online – the student pays in full by e-check or credit card in My.Blinn utilizing the third party vendor Nelnet (QuikPay). On-line credit card payments include a 2.75% convenience fee.
 - c. Installment Payment Plan - the student makes a payment plan with a third party vendor, Nelnet (FACTS) through My.Blinn. Students may pay with e-checks or credit cards (no Visa). (Refer to **Item 4.4.2** for more information)

4. The payment procedures outlined **under 4.4.3.1 Receipts & Deposits - College** should be followed.

4.4.1.2 Registration for Credit Classes - Early

1. The registration procedures outlined under **4.4.1.1 Registration - Regular** should be followed for class schedule selection.
2. The Published Payment Due Date, as found in the official Blinn College Calendar (applicable to the term), is the deadline for payment of classes.
3. If Installment Payment Plan is requested, it must be set up prior to the first day of the semester or the date set by Blinn College. (Refer to **Item 4.4.2** for more information)
4. Students who register but do not pay by the Published Payment Due Date will have their classes dropped. Students who have completed the financial aid process or who have initiated an Installment Payment Plan will not have their classes dropped.

4.4.1.3 Registration - Workforce Education

1. Students who want to take Workforce Education classes must complete an online application to receive credentials that will allow them to access My.Blinn.
2. Registration for Workforce Education classes is accomplished through the My.Blinn portal. Payment is due in full at the time of registration, and can be made on-line through the My.Blinn portal with e-checks or credit cards (no Visa), or at a Workforce Education office.
3. If a student is to utilize a scholarship, financial aid, or a third party billing contract as the source of payment for a Workforce Education class, the student will need to register in person at a Workforce Education office.
4. Students wishing to drop a Workforce Education class will need to contact their Workforce Education office for instructions.
5. CAN and CMA applications must be made in person at

4.4.1.4 Registration - For Students Who Receive Student Financial Aid / Scholarships

1. Student Financial Aid is one of the student services provided by the College District. Students who plan to use a grant, scholarship or tuition exemption must have an award on file before registration.
2. The registration procedures outlined under **4.4.1.1 Registration - Regular** should be followed for class schedule selection.
3. Financial Aid monies are not credited to student's accounts until the day of record for each semester. . Before the day of record, when a student's financial aid file is complete, the aid is said to be "authorized." Authorized aid will reduce the balance a student owes Blinn College for the purposes of paying on-line, payment plans, or payment in full at Enrollment Services.
4. Authorized financial aid in excess of a term balance will generate a bookstore voucher. Bookstore vouchers (estimates of financial aid money which may be used to purchase books or necessary school supplies) are placed on student accounts approximately two weeks prior to the first day of class. Banner generates a listing of accounts with bookstore vouchers, which are verified for accuracy by the staff of the Brenham Business Office. The report is transferred to a file which is transmitted to the Barnes and Noble home office. A student can purchase books and supplies utilizing his Blinn College student ID card at the Brenham and Bryan on-campus Barnes and Noble bookstores. A file is uploaded to Barnes and Nobles daily before the twelfth class day. On the 13th class day (Fall & Spring) and the 5th class day (Summer) a file of actual student book charges is downloaded to the computer of the Brenham Business Office Manager. This file is then transferred to an A/R session and posted to student accounts.
5. The Athletic Office will transmit a list of all scholarship athletes who are receiving books as part of their athletic scholarship to the Brenham Business Office Manager for submission to Barnes and Noble. The list must be signed by the Vice President of Student Services before the book scholarships can be awarded.
6. The Brenham Business Office Manager shall transmit a list of valedictorians to Barnes and Noble so they may have use of books, as required by Texas statute.
7. The Business Office personnel will process paper Employee Book Vouchers in the amount of \$75.00 per academic class. Human Resources will determine the eligibility for Employee Book Vouchers; Human Resources has the form, and must sign the form before it comes to the Business Office.

4.4.2 Installment Payment Plan

4.4.2.1 General Statement of Compliance

In order for Blinn College District to be in compliance with House Bill No. 2747 enacted by the Legislature of the State of Texas which provided for amendments to Sections 54.007 (a) and (c) of the Education Code to allow students at public community colleges to pay tuition and fees in installments, the following procedures will be implemented.

4.4.2.2 Implementation

1. Installment Payment Plans through Nelnet Business Solutions, a third party vendor, became available for the Fall semester of 2006.
2. Students must enroll by the Payment Due Date established by Blinn College in the official calendar to keep classes from being cancelled.
To enroll, a student connects to Nelnet's e-cashier website through the "Make a Payment Plan" channel in My.Blinn. The cost for participation is \$25 per student per semester. The student agrees to pay Nelnet by ACH from a bank account or by credit card. Credit card transactions will be assessed a 2.75% convenience fee. A down payment is required; the amount of which is determined when the student enrolls in the payment plan. Down payments are processed immediately; monthly payments are processed on the 5th of the month.
3. Once a student signs up for the Installment Payment Plan, a flag is placed on their account which keeps them from getting dropped; the flag appears on the SOAHOLD screen in Banner. Registration and/or official transcripts may be held until the Installment Payment Plan is paid in full.
4. **Withdrawal** from the College, for whatever reason, will not cancel the obligation to pay the full amount of the balance owed to the College. Any refund of tuition and fees due will be applied to the balance owed to the College.
5. Financial Aid and Scholarships are applied first to tuition and fees, with any remaining amount available to be put on the Installment Payment Plan for any semester length academic credit classes.
6. Enrollment dates each term will be set by the Director of Business Offices and approved by the calendar committee.

4.4.2.3 Designation of Responsibilities

4.4.2.3.1 College Responsibilities

The Business Office, Bryan Campus will be responsible for:

1. The administration of the Installment Payment Plan through Nelnet Business Solutions.
2. Posting payments to student accounts.
3. Uploading balances to Nelnet Business Solutions.
4. Maintaining the flag status on student accounts which are on the Installment Payment Plan.

4.4.3 Receipts & Deposits

4.4.3.1 Receipts & Deposits - College

Checks and cash are received in the Business Office. The basic procedures for receiving and depositing payments is outlined below with additional procedures, as required, for Scholarship checks, Workforce Development checks, Miscellaneous checks and Cash.

4.4.3.1.1 Payment of Tuition and Fees and Depositing Procedures

1. Cash is receipted at the Brenham, Bryan, Schulenburg and Sealy Enrollment Services offices.
2. Student payments are posted interactively to student accounts.
3. Cash, checks and credit cards are receipted into the Banner AR system in cashiering sessions by Enrollment Services clerks. At the end of the day, the clerk reconciles their session, and creates a deposit slip. They close their session in Banner when their deposit balances to their session. Their immediate supervisor finalizes their session after verifying the session. If the session is out of balance, the supervisor has means to correct the session in Banner. When the deposit slip is prepared; the cash, checks and the deposit slips are placed in a bank bag. The amount of the credit card batch is written on the corresponding deposit slip, along with the cashiering session number. A reconciliation cover sheet for each batch and deposit slip is prepared. In Brenham,

- the bank bags and the cover sheets are locked in the Business Office safe each night. In Bryan, the bank bags and the cover sheets are locked in the Enrollment Services safe each night.
4. In Brenham, the deposits are placed in locking bank bags for courier pickup three days a week. In Bryan, the deposits are placed in locking bank bags for courier pickup two days a week. Schulenburg and Sealy bank deposits are made daily, if necessary.
 5. Cashiering session totals are fed to the General Ledger during the AR close process which Banner runs nightly. Reports are generated detailing Cashier Session Closing, Accounting Feed, AR Reconciliation, and AR Aging Reports..
 6. The Brenham Business Office Accountant posts receipt of Federal Loan funds into the bank account segregated for Student Loans.

4.4.3.1.2 Scholarship Checks

1. All Scholarships checks are forwarded to the Scholarships Advisor in the Financial Aid Office.
2. The Scholarship Advisor will assign an award code to the check and will enter the check into the Financial Aid Student's Record. New G/L codes are requested from the Accounting Office and A/R codes from the Computing Services Department.
3. Two copies of the check are made:
 - a. One copy of the check and donor form to be retained in the Financial Aid Office.
 - b. The original Donor check, a copy of the check and donor form is forwarded to the Accounting Department.
4. The Accounting Clerk prepares a deposit slip and enters the check into the system and deposits the check according to Section 4.4.3.1.5.
5. The Accounting Clerk forwards the receipt attached with the donor form to the Scholarships Advisor to be filed for audit purposes.
6. The Financial Aid Office retains the Endowment Donor form for the College Endowed Scholarship Reception. A letter is sent by the Financial Aid Office or by the Foundation to the Donor to acknowledge receipt and gratitude for the donation.

4.4.3.1.3 Workforce Development Checks

1. The Workforce Education Department invoices for services and training.
2. When payment is received, the Workforce Education Department prepares a deposit slip, daily deposits the monies and inputs the receipts in a Banner cashiering session.
3. The Brenham Business Office finalizes the Brenham and Schulenburg Workforce Cashiering sessions. The Bryan Business Office finalizes the Bryan (Post Office) and Sealy Workforce Cashiering sessions. Any discrepancy is analyzed by the Workforce Education Department and their respective Business Office.

4.4.3.1.4 Other Receipts

All receipts that are not related to student accounts receivables must be forwarded to the Accounting Department in Brenham or the Business Offices on the other campuses. Examples of miscellaneous receipts are listed below:

1. Club Accounts
2. Theater Tickets
3. Counseling
4. Food Service (refer to the Auxiliary Services section in this manual for special procedures)
5. Copy cards
6. Phone charges
7. Travel advance and expense report reimbursements
8. Third party payments - Texas Rehabilitation Commission, Job Training Partnership Act, etc.
9. Rental of facilities (refer to the Facilities section in this manual for special procedures)
10. Scholarship Checks (refer to Scholarship Checks, Section 4.4.3.1.2, above)
11. Payments for services and training to companies (refer to Workforce Development Checks, Section 4.4.3.1.3, above)
12. Grant and Contract Payments

4.4.3.2 Basic Procedures for Receipts and Deposits

1. The Accounting Clerk in the Accounting Department in Brenham receives most miscellaneous receipts (checks and cash) for the College. Each of the other campuses may receive specific

- miscellaneous cash receipts; Bryan receipts Library copier machine coin, for example. Non-student cash receipting is still posted to the General Ledger through Insight.
2. The checks are endorsed, cash is reconciled and the deposits are prepared for deposit.
 3. Deposits are prepared as necessary.
 4. Each campus inputs the check into the cash receipt program and receipts are distributed back to the departments that the monies pertain to.
 5. The cash receipt batch is posted and filed with any backup documentation for audit purposes.
 6. Deposits are made daily by the Staff Accountant in the Brenham Business Office.
 7. Coding Notes:
 - The Grants Accountant is responsible for identifying checks to be recorded to the Federal and State Grants.
 8. The pink validated deposit slip is picked up daily by the Staff Accountant and distributed to the Brenham Business Office for Student related receipts and to the Accounting Department for non-student related receipts.

4.4.3.2.1 Vending Checks

1. The Staff Accountant in the Brenham Business office picks up the vending change for the Brenham locations, prepares the deposit, records the cash and deposits the monies daily.
2. The Staff Accountant will provide change when needed for each location.
3. Cash receipts batches are prepared and posted as received.

4.4.4 Refunds

4.4.4.1 Refunds - Students Enrolled In Regular Credit Classes

The refund policy for Blinn College District is based upon the assumption that student tuition and fees provide only a portion of the actual incurred costs to provide educational opportunities. When a student enrolls in a class, a place is reserved which cannot be given to another student. This represents a significant cost to the District whether or not class enrollment is continued. Therefore, based on the rules of the Texas Higher Education Coordinating Board, the following guidelines will be used to determine refunds for college credit class drops or withdrawals.

1. Class Cancellation: If the College cancels or discontinues a scheduled course, a 100 percent refund will be granted.
2. It is the student's responsibility to submit a written withdrawal request for College credit hour classes to the Admissions Office. This may be done in person or by mail.
3. Students who drop a course, or who totally withdraw, will have their tuition and fees (except the registration fee) refunded on a declining basis, as defined below. Refer to the current catalog for the actual dates for each semester.
- 4.

Coordinating Board approved semester-length courses	
Fall & Spring Semesters	
Prior to the first scheduled class meeting day	100%
During the first fifteen class days	70%
During the sixteenth through twentieth class days	25%
After the twentieth class day	None
Six-Week Summer Semester	
Prior to the first scheduled class meeting day	100%
During the first five class days	70%
During the sixth and seventh class days	25%
After the seventh class day	None

5. Refunds for drops or withdrawal from mini-mester classes, flex entry, non-semester length and other classes scheduled outside the regular fall and spring sessions will be made on a prorated basis as outlined below. Refer to the Business Office at the College for the exact dates.

Class Term/Weeks	Last Day For 70 % Refund	Last Day For 25% Refund
2 or less	2	N/A
3	3	4
4	4	5
5	5	6
6	5	7
7	7	9
8	8	10
9	9	11
10	9	12
11	10	14
12	12	15
13	13	16
14	13	17
15	14	19
16 or longer	15	20

6. The Brenham Business Office will run a refund process in Banner which indicates students that are due a refund.
7. *For students utilizing the Installment Payment Plan, withdrawal* from the College, for whatever reasons, will not cancel the obligation to pay the full amount of the Promissory Note signed. Any refund of tuition and fees due will be applied to the balance owed.
8. Each refund is researched by the Brenham Business Office for appropriateness and accuracy.
9. The refund report is transmitted to Higher One, a third party vendor, for disbursement, by the Brenham Business Office Manager.
10. The Executive Director of Business Services creates a wire transfer request to cover the amount of the Higher One refunds. This request is given to the Director of Accounting for processing.
11. Once Higher One confirms the receipt of the wire transfer, the Business Office Manager posts the refund batch to student accounts.
12. Parent Plus loan refunds, Workforce Education refunds, and circumstantial refunds may be handled through Accounts Payable.
13. The Executive Director of Business Services may reverse a payment made on the QuikPay system upon notice of the student; generally the only reason to reverse an online credit card payment is because the student made a double payment.

4.4.4.2 Refunds - Students Enrolled In Community Education Classes

Refunds for CE Classes must be requested through the Community Education Offices. Students requesting refunds before the class begins will receive a 100% (100 percent) refund. Special circumstances may warrant a refund after the first day of class. See **4.4.4.1, steps 8-12** above for refund procedures.

4.4.5 Returned Checks - NSF

The Brenham Business Office is responsible for the NSF checks on the Brenham and the Bryan Campuses. The Schulenburg and the Sealy are responsible for the NSF checks received on their respective campuses.

1. Once the check is returned to the Business Office, the amount of the check and a \$25.00 service fee is placed on the student's account.
2. The student's account is placed on hold.
3. A demand letter is mailed via certified mail to the person who wrote the check, requesting payment in full within ten days.
4. If payment is not received, the check may be turned over to the County Attorney for prosecution or it may be turned over to a collection agency.

4.4.6 Collections

Each semester, the Brenham Business Office works the Brenham, Schulenburg and Sealy delinquent accounts as produced by a Delinquent Balance Report. The Bryan Business Office works Bryan accounts.

1. After the second financial aid disbursement is made in a semester, bills are generated and mailed.
2. When student loan or Federal Pell funds are returned via, R2T4 procedures by Financial Aid, bills are immediately sent to students. Each Business Office calls these students to ask for payment, or to set up a Supplemental Payment Plan with the Staff Accountant in Brenham.
3. Emails may also be sent in addition to paper bills.
4. As a follow up to bills, demand letters are sent to delinquent student accounts.
5. Students who do not respond or pay as the result of demand letters are turned over to a collection agency.

4.4.7 Account Reconciliation

The Accounting Department reconciles student accounts receivables to general ledger by student on a monthly basis. The Brenham Business Office assists with the research of reconciling items.

4.4.8 Federal and State Financial Aid Grants

The Federal and State Financial Aid Grants are reconciled by Grant Accountant by student from the Financial Aid Reports to the General Ledger. Billings are prepared and the Accounting Manager pulls down the monies from the GAPS website. The state financial aid grants are billed by Financial Aid.

4.4.8.1 TPEG

TPEG calculation - This calculation is prepared by the Director of Accounting using credit hours received from the registrar after each semester to prepare a journal entry to book TPEG scholarships as an offset to tuition. Per the education code 56.033: (a). The governing board of each institution of higher education, including the Texas State Technical College System, shall cause to be set aside:

1. not less than 15 percent nor more than 20 percent out of each resident student's tuition charge under Section 54.051 as provided by the General Appropriations Act for the applicable academic year;
2. three percent out of each nonresident student's tuition charge under Section 54.051;
3. not less than six percent nor more than 20 percent out of each resident student's hourly tuition charge, and \$1.50 out of each nonresident student's hourly tuition charge, for academic courses at a public community or junior college; and
4. Not less than six percent or more than 20 percent of hourly tuition charges for vocational-technical courses at a public community or junior college.

4.5 Government Reporting

4.5.1 Foreign Person's Scholarship Withholding (1042's)

1. Blinn College District is required to deduct and withhold any tax due on the payment of scholarships to non resident aliens.
2. Blinn College District is liable for any tax that should be withheld, whether or not any amount is withheld. For calendar year 2008, Blinn did not withhold taxes on scholarships and paid \$5,000 to the IRS.
3. Blinn College District must file an information return on Form 1042-S to report amounts paid during the preceding year. The Form 1042-S must be filed even if tax is not withheld because the scholarship was exempt from tax under a U.S. tax treaty with a foreign country.
4. No tax is withheld on a qualified scholarship payment to a candidate for a degree. In addition, the payment is not reportable. A qualified scholarship is an amount to be used for the following expenses:
 - a. Tuition and fees required for enrollment or attendance at an educational organization,
 - b. And Fees, books, supplies, and equipment required for courses of instruction at the educational organization.
5. The portion of a scholarship devoted to travel, room and board is subject to withholding and is reportable on Form 1042-S. Withholding rate is 14% on taxable scholarships paid to students in the U.S. in "F", "J", "M", or "Q" nonimmigrant status. Any other immigration status is subject to 30% withholding.
6. There are withholding rules for payments to non-degree candidates. Assume that Blinn would not have foreign non-degree candidates.

7. Alternate withholding procedure is provided for by treating the taxable part of any scholarship as wages. Rules and procedures are very involved.
8. Many U.S. tax treaties with foreign countries contain exemptions from U.S. taxation for scholarships. The treaty provision usually exempts the entire scholarship amount, regardless of whether the scholarship is a "qualified scholarship" under U.S. tax law.
9. The scholarship recipient who is claiming a treaty exemption must provide his or her TIN (tax identification number) on Form W-8BEN or on Form 8233. If this is not obtained, the tax treaty exemption can not be allowed. A copy of a completed Form W-7, showing that a TIN has been applied for, can be received with a Form 8233.

4.5.2 1098-T

1. Brenham Business Office Staff Accountant, with the assistance of computing services, prepares a list of 1098-T's information to be forwarded to a 3rd party vendor ECSI for processing. The 1098-T's uses the student's permanent address
2. The 1098-T information is available on the web at www.ecsi.net/1098T. The student will need to know his social security number, Blinn College's school code, and a pin number. This information is printed on the 1098-T form. If the student does not have the 1098-T form, the student can call Blinn College's vendor, ECSI, toll free at 1-866-428-1098 to get the school code and the pin.
3. The student will be able to re-print 2006 1098-T from the ECSI web site.

4.5.2.1 Prior year 1098-T Information

Blinn College does not have the ability to create a duplicate 1098-T for tax years prior to 2006. The information that is on the 1098-T is available to the student on My.Blinn. The student will have to compile information given in fee statements for the various terms for the tax year in question. In Boris these statements are located under the "Academics" tab. On this tab is a box labeled "Academic Services;" and chooses the option "View Charges."

The student must then compile the information printed to obtain the charges that were on the 1098-T form.

Blinn College does not answer tax questions; that is a matter for the student's tax professional.

Accounts Payable

5.1 Intent

To provide procedures that will be in compliance with the objectives as stated in the Blinn College District Policy Manual, Section CFF (Legal).

5.2 Scope

The scope of this section is to outline specific procedures necessary to process Accounts Payable and make payments on behalf of the College. These procedures will identify and outline the specific functions to be performed, the regularity that those functions must be performed and the designated responsible individuals involved from both the Accounting Department and the Business Offices.

5.3 General Guidelines

5.3.1 Designation of Responsibilities

The Purchasing Department is responsible for:

1. Verifying that there are adequate budgeted funds in accounts that requisitions are applied against.
2. Assigning appropriate account numbers and entering, into the computer, the necessary information to print Purchase Orders.

The Accounting Department is responsible for:

1. Matching approved invoices, Receiving Documents and etc. to purchase orders and/or purchases requisitions and contracts.
2. Verifying the accuracy of all accounts payable information and make corrections as needed.
3. The input and audit of all information entered into the computer.
4. The printing and distribution of all Accounts Payable checks.
5. The printing and mailing of appropriate year end tax reporting documents to vendors and to the proper taxing authorities.

5.3.2 Calendars & Timing

Accounts Payable checks are issued biweekly, working around holidays. The standard days that checks are printed are on Tuesday and Thursday.

5.3.3 Tax Exemptions

The College is exempt from payment of State taxes on purchases, except in certain prescribed cases. An exemption certificate can be furnished to any supplier upon request.

It is the policy of the College to purchase on a tax-free basis whenever possible. However, the College recognizes that circumstances exist where paying sales tax is the most expedient and efficient method of purchasing. Examples include meals purchased with a College purchasing card or supplies and materials purchased for College use by employees on a reimbursement basis.

The College must collect tax on sales of goods and services, with the following exceptions:

1. Seminar Materials
2. Furnishing student transcripts
3. Documents furnished under the Open Records Act.
4. Mailing lists
5. Services provided by students or other voluntary participants, where no one is paid for this service.
6. Services performed by students or especially for the teaching/learning of students.

The College and employees on official business are exempt from Texas State Hotel Taxes if a tax exempt certificate provided to the hotel at the time of check-in. All local hotel taxes must be paid by the individual or College. All taxes must be paid to hotels outside the State of Texas. While traveling, all services, parking, meals, fax, telephones and any other charges are taxable unless they are directly billed to the College, under the College name.

Vending machines, snack bar, candy and soft drink sales are taxable. College student organizations affiliated with an institution of higher education may each month hold a one-day, tax-free sale. The college student organization must have a primary purpose other than engaging in business or performing an activity designed to make a profit. The primary purpose of the one-day sale must be to raise funds for the college student organization. Texas Tax Bulletin, Exemptions: Sales Tax Information for Nonprofit Organizations, August 1995 (www.window.texas.fo/taxpubs/tx94_125.html)

The College is allowed two tax free sale days per year. TIF (Telecommunications Infrastructure Fund) fees are assessed on all telephone, modem and internet lines. This is not a tax and, therefore, cannot have an exemption. It can, however, be passed along to third parties, such as student/employees, where applicable. All vehicles owned or leased by the College must be legibly marked with the College's name to retain its tax exempt status if vehicles bear exempt plates. (Tax Code Sections 152.001(7), 152.082 and 152.083).

Rental cars are only tax exempt when rented by the College, in the College name. The billing for the rental must be directly to the College. The employee name can not be listed as a renter on the contract (except for insurance purposes). A credit card with the employee name or cash can not be used. All personal property taxes must be paid at the time of rental, there is no exemption for this.

A contractor who is contracted to improve College Real Property can purchase expendable items on a tax-exempt basis: materials used in construction (bricks, nails, etc.) and items that are used up in the construction (water, electricity, gasoline, etc.). Equipment, repairs or rental of, are not tax exempt, such as saws, blades, hammers, etc. Surplus goods are taxable. Auctioned goods must have sales taxes collected on the sale. When an auction service handles the auction, they are liable for the taxes.

5.3.4 Types of Disbursements

The following disbursements will be made through accounts payable:

1. **Vendor Purchases** - Payments made against Purchase Orders for a purchase authorized by the College, requested by the employee and proper approvals per the purchasing policy.
2. **Petty Cash Reimbursements** - Reimbursements to employees for emergency out of pocket expenses (refer to item 5.3.5, below, for guidelines).
3. **Travel Reimbursements** - Payments made to employees upon the return from College related travel (refer to item 5.4.2.2, below, for guidelines).
4. **Utilities** - Payment for all utility services of the College. Original monthly statements are to be mailed to the Accounting Department to be paid and a copy of the paid statement and/or monthly recap of utilities will be forwarded to the respective Maintenance Department for their review.
5. **Contracted Services** - Payment made against a Blanket Purchase Order for a service contract, maintenance contract or rental of equipment, under a yearly contract.
6. **Bookstore Purchases** - Payment of bookstore vouchers that are processed through the Brenham Business Office for payment of student Financial Aid expenses.
7. **Bookstore Purchases** - Payment of bookstore vouchers that are processed through the purchasing departments, i.e. instructional supplies as required by Faculty, against prior approved purchase orders and/or purchase requisitions.
8. **Student Refunds (Check and EFT)** - Refunds generated by the College Business Office for dropped or canceled classes and fee adjustments as authorized.
9. **Debt Service Payments** - Payments for outstanding bond issues, made in accordance with the terms of the related bond indentures.
10. **Other Payments** - Institutional costs such as payments for banking charges, credit card charges, collected sales taxes and other expenses not dealt with elsewhere.

5.3.5 General Purchasing Guidelines

Detailed purchasing guidelines can be found in the Purchasing section of this manual. Refer to that section for specific requirements regarding the purchase of merchandise and services, spending levels and approvals.

1. Requisitions and Purchase Orders

- a. All purchases must be made using the College's purchasing process. When appropriate, a purchase order will be issued. The Board of Trustee's Policy Concerning Purchase

Transactions (see purchasing section in this manual) will be followed on all purchases. Blinn College District's Policy Manual, Section CF (Legal & Local)

- b. Failure to obtain appropriate approvals prior to ordering merchandise will absolve the College of any responsibility.
- c. Equipment purchased under a Grant follows the same purchasing policies unless the grant contract is more stringent; then the more stringent policies are followed.
- d. Open or Blanket Purchase Orders can be issued for certain recurring items such as contract services, building leases, and minor supplies to allow for more efficient and timely payment to these vendors.

2. **Petty Cash Purchases**

- a. Cash "out of pocket" purchases of up to \$75.00 can be reimbursed directly from the petty cash fund administered by each Business Office. (Blinn College Policy Manual, Section CFB).
- b. A purchase requisition or petty cash voucher signed by the employee and approved by the employee's immediate supervisor along with original receipts and the correct account number(s) to be charged, must be presented to the Petty Cash cashier before cash reimbursement can be made. The Petty Cash cashier will sign the form when funds are disbursed.

3. **Check Requests**

- a. Should be used to request payment for goods and services where a purchase order is not warranted or a direct payment is required.
- b. May be used for small purchases under \$1,500, if approved by the responsible hiring manager.

4. **Travel Advances** - Advances may be extended to cover the costs of meals, taxis or other incidental charges, when approved in advance, for Out-of-town College travel only.

5. **Other expenses** - Other expenses paid for on a purchase requisition include dues, memberships, subscriptions, workshop registration fees, hotel charges, travel reimbursements, credit card payments and reimbursements to petty cash.

6. **Other reimbursements** - This includes emergency purchases or purchases outside of the normal purchasing procedure (see guidelines in Purchasing, Section 6.4.4, of this manual).

7. **Office Supplies**

- a. Office supplies may be purchased only from the authorized contracted Vendor. Upon receipt of merchandise, all documentation is submitted to the Accounting Department. Upon receipt of the invoice, the Accounting Department will send the invoice to the department for verification that items or services have been received.
- b. The Accounting Department will then prepare the invoice for payment to the Vendor and charge the appropriate budgets. The Bryan, Sealy and Schulenburg Business Offices will send all documentation to Accounting Department to process and release the check.

5.4 Specific Guidelines

5.4.1 Procedures for Ordering Merchandise and Initiating Check Requests

5.4.1.1 Purchase Requisitions and Purchase Orders

The Purchase Requisition is the initiating document used to begin the approval process for issuing a Purchase Order. Detail procedures for this process have been outlined in the Purchasing, Section 6.4, of this manual. Purchase Orders are created by the Purchasing Department after receipt of a properly approved Requisition.

5.4.1.2 Initiating Check Requests

Invoices are used to process expenses as discussed in item 5.3.5.3 above and in emergency cases for services or merchandise already received. All disbursements must be supported with an approved purchase requisition and/or purchase order and other supporting documentation, along with an original invoice. The Accounting Department is responsible for verifying unencumbered balances, coding documentation, and entering into the computer, the necessary information for processing accounts payable. Check processing and printing procedures are outlined below.

5.4.2 Employee Travel

5.4.2.1 Travel Authorization Guidelines

The Blinn College Travel Authorization Form has several purposes:

1. It represents permission for an employee to travel on behalf of Blinn College.
2. It informs the supervisor of estimated expenses involved with the trip.
3. It identifies the type of transportation – Blinn vehicle, personal vehicle and /or commercial carrier
4. It allows the Budget Manager to determine that sufficient funds are available in the appropriate budget.

The Travel Request and Authorization Form can be found on the faculty/staff page of the Blinn College website in the subset "Travel Forms and Guidelines". If requesting a Blinn College vehicle, the form should be submitted as early as possible to the Transportation Department prior to the scheduled trip. A minimum of 5 working days is needed to allow proper scheduling of college vehicles by the Transportation Department.

1. Blanket Authorization - If a faculty member travels to an off-site location to teach, they may request a Blanket Travel Request and Authorization for the semester. The appropriate Vice President must approve the blanket authorization in advance. A Blanket Travel Request and Authorization is completed in the same manner as a regular travel authorization, the only exception being that the leave request box includes the entire semester for the blanket travel. Blanket authorizations for routine inter-campus travel must be submitted once a fiscal year.
2. The completed Travel Request and Authorization Form should be forwarded to the Purchasing Department. There it will be scanned as a permanent record and a copy of the form will be e-mailed back to the employee. The employee is responsible for creating a copy of the Travel Request and Authorization Form for submission with Purchase Requisition, Check Request and Employee Expense Forms.
3. Picking up a Blinn Car in Brenham - Blinn College District does not guarantee the availability of a Blinn College District vehicle for the approved trips. Cars are assigned based on availability at the time of the request. Only the Transportation Department is authorized to rent vehicles locally. The Transportation Department must be notified immediately if the vehicle is no longer needed or if there is a change in the travel plans (dates, times, etc.). A Blinn College fuel card may be obtained from the Transportation Department.
4. Picking up a Blinn Car in Bryan - Blinn College does not guarantee the availability of a Blinn College vehicle for the approved trips. Cars are assigned based on availability at the time of the request. The Transportation Department must be notified immediately if the vehicle is no longer needed or if there is a change in the travel plans (dates, times, etc.). Keys to Blinn College cars may be picked up at the Transportation Department. If a car is needed before regular business hours (8am), please make arrangements to obtain the keys in advance. If a car is returned after regular business hours (5pm), please return the keys by 8:30 am the next morning. A Blinn College fuel card may be obtained from the Transportation Department.

5.4.2.2 Employee Expense Form Guidelines

Employee expense forms should be submitted as early as possible after the scheduled trip, but no later than 30 days after the completion of the travel. Note: Administrative Policy regarding travel reimbursement must be adhered to when completing an expense form.

Expense forms can be found on the Blinn website under "Employee Information, Forms, Travel".

<http://www.blinn.edu/Faculty%20Information/travel/index.htm>

The Employee Expense Form and the Employee Expense Guidelines are in Word and PDF file format.

All requests for reimbursement must be on the official Employee Expense Form and submitted to the Accounting Department on the Brenham Campus and Business Services on the Bryan Campus.

Employees have the option to have their expenses reimbursed by direct deposit or by check that will be mailed to the employee's home address. This is a one-time choice. Employees can not receive payment by check for one reimbursement and direct deposit the next. Forms for direct deposit may be obtained from the Blinn College website under "Accounting Department". The Direct Deposit form should be sent to the Accounting Department on the Brenham Campus.

Within thirty (30) working days from the date of return from travel, an Employee Expense Form must be submitted to the Accounting Department with proper approvals and with original documentation of actual expenditures for Reimbursement. Supporting documentation is to include but not be limited to the following: travel agency invoices and copy of airline tickets, lodging receipts, toll road fees, all receipts for meals and sundry items; ground transportation and parking; registration fees (receipt). All advances must be reflected and only original receipts will be reimbursed.

1. If the College credit card is used, the original credit card receipts are to be included on the expense form for the credit card statement which is forwarded to the Purchasing Department. This is separate from an expense form that employee is requesting reimbursement for out-of-pocket expenses.
2. As long as a travel advance is outstanding, no additional travel advances can be issued.

5.4.3 Procedures for Receiving Merchandise and Invoices

5.4.3.1 Receiving Merchandise

Merchandise should be received according to specific instructions outlined in the Purchasing section of this manual. The Receiving (goldenrod) copy of the purchase order will be sent to the College Receiving Department and the blue copy will be sent to the Originating Department. When merchandise is received, department will sign off on the invoice signifying receipt of item. After inspection and verification of the quantity and quality of the merchandise has been made, the responsible individual taking actual receipt of the shipment will sign the Receiving (goldenrod) copy of the Purchase Order, if complete, or a partial receiving report. The signed goldenrod or partial receiving report (see an example in Forms Appendix 5.6) will be forwarded to the College Office Accounts Payable immediately after receipt is acknowledged. From the goldenrod copy, the College Accounts Payable will receive the items in the "system". The A/P Clerk will have previously filed the yellow copy of the Purchase Order. The goldenrod copy is matched to the yellow copy and filed to await receipt of an original invoice.

5.4.3.2 Receiving Invoices

All original invoices should be sent directly to the Accounts Payable Department and the Bryan Business Office.

The Accounts Payable Department and Bryan Business Office match original invoices to purchase orders. Invoices without Purchase Orders will be referred to the originator. In cases where the originator is not known, the vendor will be contacted.

Please Note: For Invoices received against Blanket Purchase Orders, see procedure 5.4.3.3, below.

5.4.3.3 Invoices Received Against Blanket Purchase Orders

When original invoices are received against a Blanket Purchase Order, the Vendor should be instructed to include that PO Number on the invoices. When the number is not known, the PO number will be looked up and written on the invoice before proceeding further. Otherwise, the original invoice is sent to the originator for approval. When the original invoice and packing slip are returned to A/P with approval, Accounts Payable will proceed with the payment process.

5.4.4 Payment of Bills and Check Processing Procedures

5.4.4.1 Matching Invoices to Documentation for Approval

1. Purchase Orders will clearly indicate that vendors should mail all invoices to the Accounts Payable office, Bryan, Schulenburg, and Sealy Business Offices regardless of the shipping location.
2. The original invoice is checked by line item against the PO for accuracy in dollar amount and receipt of merchandise.
3. The A/P Clerk will verify that:
 - a. All back-up and receiving documentation is accounted for and is correct.
 - b. Appropriate taxes have been eliminated from the invoice.
 - c. Amounts and extensions are correct and in agreement with the Purchase Order.
4. The Purchasing Department is notified of equipment received and placed in use and Decal number is noted on the Inventory Form and forwarded to the Accounting Department.

5.4.4.2 Check Payment Process

The Accounts Payable Department inputs invoices for payment. All original invoices and supporting documentation received at the other locations noted above are sent to Brenham Accounting Department for check processing.

5.4.4.3 Selecting Checks for Payment (including student refund checks)

1. Checks are selected to be printed by batch or type.
2. All original invoices are required to be paid within 30 days but usually are processed and paid as soon as all documentation is complete. Where applicable, discounts for early payment will be taken.
3. Proper and complete documentation is verified for each check to be issued.

5.4.4.4 Printing, Signing and Issuing Checks

1. Checks are printed, signed and issued by the Accounting Accounts Payable Department.
2. All checks are disbursed either to other campuses in a locked bag or through the U.S. Mail.
3. A distribution list accompanies each check run.
4. Positive pay file is sent to the bank at the time checks are processed.
5. EFT's are initiated and uploaded after each check run.

5.4.5 Procedure for Unclaimed Checks

Checks returned and/or unclaimed are handled according to the type, as outlined below:

1. Student Refunds
2. A/P Vendor Checks

All checks returned are given to the Accounting Clerk in the General Accounting Department who date stamps the envelope and makes a copy of the check before forwarding it to the responsible person, as noted below. The timely and proper disposition of all checks is monitored through the reconciliation process performed by the Accounting Department.

5.4.5.1 Accounts Payable Vendor checks

The returned account payable vendor checks are sent to the Accounting Accounts Payable to research for the reason for the return. The check will be mailed to the correct address, voided and reissued as appropriate or held to be turned over to the State. After checks go unclaimed for 3 years, the checks are voided and remitted to the Texas Comptroller of Public Accounts-Unclaimed Property along with a list. The State will post public notification of funds that are being held and may be claimed with proper identification.

5.4.5.2 Payroll

All payroll disbursements are made by EFT's and if an EFT comes back due to closed account, payroll will research and try to get a new bank account. If they are unsuccessful then the monies are held to be turned over to the State, as above.

5.4.6 Void Check Procedures

The voided and reissued checks are voided with a stamp and given to Accounts Payable to reverse the check entry in the system and the check is shown as voided on the check register. The check is then filed in the voided check file.

The original check will be defaced by writing void across the face and by destroying the signature. When applicable, the Accounting Department or the Bryan Business Office will request a stop payment to be issued.

5.4.7 Funding of Accounts & Fund Transfers/Charges

All checks are paid through a Controlled Disbursement Account or an Imprest Fund and monitored electronically on a daily basis by the Accounting Department. The Accounting Clerk with the approval of the Accounting Manager will electronically make cash transfers between funds to cover the transfer prepared after each accounts payable check run by the Accounts Payable Staff Accountant and the transfer prepared after each payroll processing by the Payroll clerk. A journal entry will be made to show

the transfers made between the funds on the General Ledger to balance the interfund pooled cash accounts. A more complete set of procedures for this process can be found in the Cash - Investments section of this manual.

5.4.8 Year End Procedures for Accounts Payables/Encumbrances

1. **Accounts Payable** - At the end of the fiscal year, an Outstanding Accounts Payable Listing will be reconciled to the general ledger by fund. A list of all open purchase orders is run and analyzed by accounts payable and purchasing if the purchase order should be disencumbered or if they goods or services have been received by August 31.
2. **Encumbrances** - Encumbrances include all outstanding purchase orders or commitments for merchandise or service not received or performed as of August 31. The encumbrances or open purchase orders are kept open until the beginning of October and any outstanding ones are disencumbered. Presently, encumbrances are not brought forward into the new budget.

5.4.9 Year End Procedures for Tax Reporting (1099's)

5.4.9.1 General Guidelines

Form 1099-MISC, Miscellaneous Income must be issued at the end of the year to each person to whom payments have been made for at least \$600 in services (including parts and materials). The 1099-MISCs will be created from information provided by the W-9s on file in the Accounting Department. However, where information is incomplete, the Accounts Payable Department will contact the Vendor and payment will not be made until such missing information has been provided. Please note the following exceptions:

1. Payments to corporations, unless they are a hospital and/or for medical services, are not reportable
2. Payments for merchandise alone are not reportable
3. Payments to employees for services rendered must be paid through payroll, even if the service provided is not part of the employee's regular job description
4. Payments to employees for business expense reimbursement are generally not taxable. However, if they are taxable, they are to be included on the employee's W-2 for the year.

5.4.9.2 Reporting Procedures

The Accounts Payable Supervisor will review all requests for payments to vendors to determine if 1099 reporting is applicable. Payment will be withheld when information is missing on vendors. The A/P clerks can "flag" a vendor as a potential 1099 vendor. At the end of the calendar year, the Director of Accounting will run a report for all 1099's to be processed. This report will be reviewed for correctness before the electronic processing of the 1099's. The deadline for mailing 1099's is January 31. All reports with any changes and a copy of the 1099s are kept in a file. One copy of the 1099s is sent to the vendors and an electronic file is sent to the IRS by March 31st. All completed Forms 1096 are due to the IRS by the last day of February.

Purchasing

6.1 Intent

To provide procedures that will be in compliance with the objectives as stated in the Blinn College Policy Manual, Section CF (Legal & Local) and Section CMF (Legal).

6.2 Scope

The scope of this section is to outline specific procedures to direct the purchasing and contract practices of the College in order to provide the best value to the College and be in compliance with Texas State Law.

6.3 General Guidelines

6.3.1 Designation of Responsibilities

The President of the College has designated the purchasing department as the purchasing authority for the college. Purchasing is responsible for compliance with the purchasing requirements outlined in the Board Policy Manual. *Purchases not authorized in accordance with approved purchasing policies are not legal obligations of the College.* No purchases shall be made without determining whether sufficient funds are available.

6.3.2 General Principles and Objectives

When purchasing equipment, supplies, materials, services, hardware and software, the factors which drive the purchasing process and the decisions to be made are:

1. Purchase approved goods and services requested by the end users.
2. Obtain the best possible price for approved goods and services.
3. Have goods and services available when and where needed.
4. Ensure that responsible vendors are given the opportunity to compete for business.
5. Ensure that the procurement of goods and services is ethical and complies with state law regarding the use of public funds.
6. Guard against misappropriation of the college's funds.

6.3.3 Board Policy Relative to Purchase Transactions

All purchases of goods or services made on behalf of the College shall meet the administrative requirements outlined below.

Purchases Valued Below \$1,500.00

Minor purchases of goods or services less than \$1,500.00 in value may be made without following a competitive process. Furthermore, all small purchases under \$1,500.00 should be made using a College procurement card (see Procurement Card Procedure Policy) thereby eliminating the prerequisite for a purchase order requisition.

Purchases Valued at \$1,500.00 or More and Less than \$35,000.00

Purchases of goods and services valued at \$1,500.00 or more and less than \$35,000.00 shall follow an informal competitive process that includes at least three quotes. These quotes may be obtained by telephone, fax or other electronic means, and shall be documented.

Purchases Valued at \$35,000.00 or More and Less than \$50,000.00

Purchases of goods or services that are at least \$35,000.00 and less than \$50,000.00 shall be coordinated within the designated department and with the guidance of the Director of Purchasing. These purchases shall be made by requesting written quotations from at least three (3) vendors which are capable of providing the particular good or service. Written quotations shall accompany requisitions for purchases.

Purchases Valued at \$50,000.00 or More

All purchases of \$50,000.00 or more for goods or services shall be coordinated through the Director of Purchasing. These purchases shall follow a formal competitive process that includes:

- a. Pre-qualification and selection of suppliers;
- b. Standards and specifications;
- c. Requests for sealed bids/proposals through advertisement;
- d. Submission of bids/proposals, and public openings;
- e. Award of purchase orders and contracts; and
- f. Catalog purchases as stated by the Texas Education Agency under the Texas Government Code, Chapter 2157, Subchapter B.
- g. Use of Inter-local Agreement.

6.3.4 Taxation Status

The College is exempt from payment of State taxes on purchases, except in certain prescribed cases. An exemption certificate can be furnished to any supplier upon request.

It is the policy of the College to purchase on a tax-free basis whenever possible. However, the College recognizes that circumstances exist where paying sales tax is the most expedient and efficient method of purchasing. Examples include meals purchased with a College procurement card or supplies and materials purchased for College use by employees on a reimbursement basis.

The College and employees on official business are exempt from Texas State Hotel Tax if a tax exempt certificate is provided to the hotel at time of check-in. All local hotel taxes must be paid by the individual or College. All taxes must be paid to hotels outside the State of Texas. While traveling, all services, parking, meals, fax, telephones and any other charges are taxable unless they are directly billed to the College, under the College name.

Rental cars are tax exempt when rented by the College, in the College name. The employee name can not be listed as a renter on the contract.

6.4 Specific Guidelines**6.4.1 Bid Specifications**

- a. When a bid is required, the Departments requesting the product or service will submit specifications suitable for duplication and distribution. The purchasing department will assist with specifications when necessary.
- b. Specifications will contain a description of the product or service.
- c. Specifications for items to be fabricated will include exact and detailed information as to materials, dimensions of major component design features, performance standards and methods of manufacturing.

Bidding Requirements

All bidding practices shall conform to State law. The College will establish practices to identify when bids shall be required and when other practices of obtaining needed goods and services shall be utilized.

Bid openings shall be public and those submitting bids should be invited to attend. A file of all bids shall be kept for a period of three years and shall be open for public inspection.

The Board of Trustees has the authority to reject any and all bids.

All bids shall be conducted through the Purchasing Department unless specific authorization is granted through Board of Trustees approval.

The College may hold pre-bid conferences and may, upon proper notice, make the attendance at such a conference mandatory. The College will not open or consider any bid submitted by any vendor who did not attend a mandatory pre-bid conference.

6.4.2 Requisitions

A purchase requisition is required for purchases exceeding \$1,500 and for petty cash expenditures not to exceed \$75. All purchase requisitions must have as a minimum, two signatures, to include the requisitioner and the responsible budget manager. Additional approval may be required depending on the amount and/ or type of goods or services requested.

All purchase requisitions must have, as a minimum, two signatures, to include the requisitioner and the responsible Budget Manager. Additional approval may be required depending on the amount and/or type of goods or services requested.

Requisition Approval Levels

Level	Amount of Request	Required Signatures
I	\$0 to below \$10,000.00	* Requestor
		* Responsible Budget Manager
II	\$10,000.00 to below \$35,000.00	* Requestor
		* Responsible Budget Manager
		* Vice President
III	\$35,000.00 to below \$50,000.00	* Requestor
		* Responsible Budget Manager
		* Vice President
		* CFO/Sr. VP Finance & Admin Services
IV	\$50,000.00 and above	* Requestor
		* Responsible Budget Manager
		* Vice President
		* CFO/Sr. VP Finance & Admin Services
		* District President

Board of Trustees Approval

Any unbudgeted purchases must be approved by the Board of Trustees in accordance with Board Policy CF (Local).

6.4.3 Forms of Purchase

Blinn College utilizes five forms of purchasing: check requests, approved credit card transactions (Procurement Cards), travel cards, petty cash disbursements and purchase orders.

- a. Check Requests (limited use, mostly A/P) should be used to request payment for goods and

services where a purchase order is not warranted or a direct payment is required. Check requests may be used for small purchases under \$1,500.00 if approved by the responsible Budget Manager. Specific procedures concerning the use of check requests are to be managed by the Director of Purchasing and approved by the CFO/Sr. Vice President Administrative Services or designee.

- b. College Procurement Cards (P-Cards) may be used for small purchases under \$1,500.00 per transaction as approved by the responsible Budget Manager, Departmental Dean, Director or appropriate Vice President. All P-Card purchases are subject to strict user guidelines and reconciled by the Purchasing Department. **See Procurement Card Procedures.**
- c. College travel cards may be used for lodging, meals, car rental and parking expenses that are incurred as related to travel. Travel must be approved in advance by CFO/Sr. Vice President Administrative Services or designee before a travel card can be issued. Travel cards are issued and reconciled by the Purchasing Department. **See Travel Card Procedures.**
- d. The Petty Cash Fund is set up to fund "out of pocket" expenditures by the employees of the College. Petty cash fund use must be approved in advance by the Supervisor and no petty cash expenditure may exceed \$75.00. Each petty cash expenditure shall be documented with a receipt appropriate to the purchase.
- e. All other purchases shall be made by Requisition/Purchase Order. All purchase order forms shall be under the control of the College Purchasing Department. Creditors of the College can be notified that purchase commitments made without a properly drawn purchase order and not signed by the Director of Purchasing will not be honored for payment.

6.4.3.1 Types of Purchase Orders

- 1. Regular or standard purchase orders – These are issued for the purchase of equipment, supplies or services when a single delivery and subsequent single payment is expected.
- 2. Blanket purchase orders – These are issued to facilitate the purchasing process by minimizing the quantity of purchase orders issued to a vendor when:
 - a. More than one delivery
 - b. More than one invoice
 - c. More than one payment is expected for a product or service
 - d. Payments are expected to reoccur on a monthly basis

6.4.4 Purchasing of Professional Services

Authority:

Professional Services Agreements with a value of more than \$35,000.00, or for a period of more than one year in term, shall be approved by the Board of Trustees. Professional Services Agreements with a value of less than \$35,000.00 must be approved by the President of the College or designee.

Definition:

Professional services include, but are not limited to: accounting, financial, auditing, architecture, landscape architecture, land surveying, medical, optometry, professional engineering, legal, real estate appraising, professional nursing, or services of a professional nature where specific knowledge, skill and experience are required.

Scope of Service:

Professional service providers are professional contractors retained to provide services to the College when regular employees, within the scope of their employment, cannot provide such services.

The College may not select a provider of professional services or a group or association of providers or award a contract for the services on the basis of competitive bids submitted for the contract or for the services, but shall make the selection and award:

- a. On the basis of demonstrated competence and qualifications to perform the services; and
- b. For a fair and reasonable price.

The Professional Fees under the Contract:

- a. Must be consistent with and not higher than the recommended practices and fees published by the applicable professional associations; and

- b. May not exceed any maximum provided by law.

Term of Service:

The Board of Trustees may engage a professional services provider for a maximum period of five years. However, the Board of Trustees will retain the right to terminate the engagement at any time, upon due notice.

A professional service provider currently under contract is eligible to respond to a request for proposal/qualifications for a subsequent term.

6.4.5 Emergency and Sole Purchases

At times, it may not be in the College's best interest to engage in a formal competitive process. Purchases necessary to respond to emergencies (situations that jeopardize public or employee safety, or that could result in significant financial or operational loss), and instances in which staff has concluded that only one supplier can provide the product or service (e.g. the product or service is protected by patent, copyright or trademark; or due to schedule conflicts, etc., only one supplier can provide the product or service when it is required) do not require a formal competitive process. Emergency and sole source purchases must be justified in writing and approved in advance by the Director of Purchasing or the Responsible Budget Manager and/or Department Director.

6.4.6 Inter-local/Cooperative Agreements

The College may enter into an inter-local/cooperative purchase agreement to purchase goods or services. Once an inter-local cooperative purchase agreement has been approved by the District President or designee, purchases may be made through the agreement after a market survey determines that the best value for the college is through the agreement.

Payroll

7.1 Intent

To provide procedures that will insure conformity in the gathering of information and the eventual discernment of that information on a District-wide basis while efficiently employing the resources and time of the District's employees. These procedures will be in compliance with the objectives as stated in the Blinn College Board Policy Manual, Sections CDDA (Legal & Local).

7.2 Scope

The scope of this section is to outline specific procedures necessary to accurately and timely process the payroll for the District. These procedures will identify and outline the specific functions to be performed, the regularity that those functions must be performed and the designated responsible individuals involved from both the College and District Business Offices.

7.3 General Guidelines

7.3.1 Designation of Responsibilities

Generally, the Director of Human Resources and the CFO/Sr. Vice President Finance & Administrative Services are responsible for assuring that the payroll procedures are followed. Specifically, they will work closely with the Payroll Coordinator.

7.3.2 Calendars & Timing

Blinn College District pay day is scheduled bi-monthly on the fifth or the last work day prior to the fifth and the twentieth of the month or the last work day prior to the twentieth.

The Payroll Coordinator provides a payroll calendar by the fiscal year, available on the Human Resources homepage under forms. This calendar will specify all deadlines that need to be met in order for a payroll cycle to be run accurately and timely.

It is expected that all Departmental Supervisors will fully acquaint themselves with this calendar and will operate within its deadlines.

Important deadlines have been listed below. However, since deadlines are subject to change, it is always prudent to consult with the current payroll calendar.

EVENT	TIMING
Time sheets for hourly given to the dept prior to the beginning of the pay cycle.	Prior to the beginning of the accrual period.
Employee downloads timesheet from the Blinn College website.	Prior to the beginning of the accrual period.
Work week for accruing hourly time.	Work week ends every Saturday.
Time sheets completed by employee and given to the Supervisor.	At the end of each week.
Substitute Pay Forms - Cut-off date to include pay.	Ten working days (by 5 p.m.) prior to payday.
Last day to enter any change to payroll.	Seventh working day prior to payday.
All accurate time sheets entered.	Sixth & Fifth working day prior to payday.
Make edits to payroll after preliminary run.	Fourth working day prior to payday.

Run Payroll.	Third working day prior to payday.
Transmit information to Banks for Direct Deposit.	Second working day prior to payday.
Payday	Fifth and Twentieth of each month.

7.3.3 Types of Payroll

Employees for the College are defined by three (3) major types: Full-time, Part-time and Student Worker. There are, however, only two major types of payroll: Cycle I and Cycle II, into which all employees are assigned. Blinn College District's pay day is scheduled bi-monthly on the fifth or the last work day prior to the fifth and the twentieth of the month or the last work day prior to the twentieth. Cycle I employees are paid on the 20th of the month and usually are the full time salaried employees. Cycle II is paid on the 5th and 20th of the month and are the hourly employees, along with a few full time salaried employees in certain pay groups.

7.4 Specific Guidelines

7.4.1 Employee Records & Maintenance: Hiring, Changing & Terminating

1. Employees can only be hired based upon a staffing plan previously approved and budgeted. These positions will already contain the Budget Code that the position is to be charged to and the anticipated salary placement in accordance with the Group/Band. The staffing plan is maintained by the Human Resources office.
Please note - All changes to distribution codes require changes to both position records and individual employee records.
2. All employees hired are assigned to a position and an employee record is created. The information for the employee record is derived from the employment offer form and the accompanying documentation required upon hiring. Different documentation and information is required depending upon the type of employee (i.e. Full-time, Part-time, Student Worker, etc.) hired.
3. Employees hired under Grants have special considerations that must be met.
4. Changes to the status of an existing employee, including terminations, must be performed on a Status Change form. These changes include, but may not be limited to: Transfers, Promotions, Leaves of Absence, Budget Codes, Salary Placement, New Fiscal Year (for grants only), Salary, Length of Assignment, Name, Termination, Resignation, and Retirement.
5. The deadline for submitting forms to take effect on a given pay cycle can be located on the monthly payroll calendar for that pay cycle.

7.4.2 Bi-Monthly Procedures

Bi-Monthly payroll originates from one (1) or more of the following eight (8) sources:

Type of Payroll	How The Payroll Originates Into The Payroll System
Full-Time Admin/Faculty	EOF sets up employee initially into the system for monthly pay.
Part-Time Hourly, Student Worker & College Work Study	Time Sheets are submitted to Human Resources bi-monthly according to the payroll calendar.
Part Time Faculty & Faculty Overload	A salary report is ran after the twelfth class day and is manually entered into the system.
Special Stipends	Letter of Assignment for one time pay only is sent to Human Resources Office.
Substitution Pay	Substitution Pay forms, with Leave forms attached, are sent to the Academic Affairs Office, and then forwarded to the Human Resources office monthly.

1. The above types of payroll must be completed and in the Payroll system by the deadlines set out in the Calendars.
2. Specific data entry and manual overrides to the above types of payroll are only performed by the Payroll Coordinator.
3. On the fourth (4th) working day prior to pay day, the Payroll Coordinator authorizes a preliminary calculation report for all pay for the upcoming pay day. This report is audited and adjusted for errors prior to the final printing of the Payroll Registers.
4. On the third (3rd) working day prior to pay day, the Payroll Coordinator authorizes the final pre-list. Refer to more complete procedures below under Direct Deposit Issuance Procedures.
5. On the second (2nd) working day prior to pay day, the Payroll Coordinator authorizes the printing of the Direct Deposit Report and transmits the file to the Bank for dissemination to the employees' bank accounts. Refer to more complete procedures below under Direct Deposit Issuance Procedures.
6. On payday, direct deposit will be posted by the bank. Employees can log onto Employee Online to print their deposit device.
7. The Payroll Department will notify the Accounting Department of the Gross and Net Payroll amounts. Accounts Payable will transfer sufficient funds to the payroll disbursement account.

7.4.3 Direct Deposit Issuance Procedures

1. Employees can log onto Employee Online to print a copy of their deposit device.
2. Registers are now printed and any errors that occurred during the printing will be taken care of.
3. The direct deposit file and report are created and the file is downloaded to the Local Area Bank.
4. The bank is emailed with the totals for the deposit which will be transmitted. The file is then transmitted and the bank will notify of any problems.

7.4.4 Payroll Payables

1. Setting Up Of Vendors
 - a. The Benefits Coordinator requests to the Accounting Department to set up all vendors. The Accounting Department assigns a Vendor ID number, a Payroll Code and a GL Account number. After activation, the information is set up into the Payroll system.
 - b. Please refer to the forms section for a complete list of Payroll and GL Account Codes currently in activation.
2. Payment Of Vendors
 - a. From the Deduction Register, the Payroll Department initializes all payments to Vendors according to the time frames outlined below.
 - b. The Payroll Department inputs the payables into the Accounts Payable voucher system and prints a Voucher Register and a Voucher Summary.
 - c. The Voucher Register and Summary are compared to the Payroll worksheet for balancing and the District Payroll Supervisor will verify totals and approve.
 - d. The Voucher Reports are then submitted to the Accounts Payable Department and the checks will be printed.
 - e. Most payments are done Electronically by the accounting department. If a check is required, it is mailed by the accounting department.
 - f. The totals of the Sort Check List are compared to the Voucher Summary Report for balancing.
 - g. A copy of the check is attached to a copy of the vendor back-up and filed in the vendor folder.
 - h. The check and a copy of the back-up are mailed to the vendor.
 - i. Requests for reimbursement from the State for ORP are made at the same time that the checks for matching are mailed to the Vendors and a receivable is created.
 - j. Payment Time Frame

Vendor Payment	Due Date
Student Loans, Child Support	Immediately upon Pay Day
Employee deductions for ORP & TDA and Levies	Immediately upon Pay Day

Insurances, TRS, ORP (State Matching)	Monthly, 5 days after the close of the month.
---------------------------------------	---

7.4.5 Payroll Tax Depositing & Reporting Procedures

1. Immediately upon pay, the Federal government requires the college to transmit payroll taxes due electronically via EFTPS.
2. At the end of each quarter, the Human Resources Manager prepares the 941, TEC and any other required reporting.
3. These reports are signed and are forwarded, as appropriate.

7.4.6 Reports

The pre-list and EFT list are printed after each pay cycle.

7.4.7 Sick, Vacation, Comp Time and Other Leaves

1. Request for Vacation/Sick Leave - To be filled out when full-time employees must be absent from work due to Vacation, Sick Leave, Personal Leave, Funeral Leave, Civil/Jury Duty, Leave Without Pay, Workers Compensation or Other Leave and forwarded to the Human Resources Department.
2. Request and Authorization for Leave of Absence - To be filled out when full-time employees request leave time and forwarded to the Human Resources Department upon approval.

Special Note: For requests for **Leave Without Pay**, the Supervisor must contact the Human Resources Office immediately for any leave without pay which occurs after the payroll cut off date.

3. The Payroll Coordinator inputs the hours into the Payroll system from the Leave Request and Absence Report forms for pay corrections and accrual updates.

7.4.8 General Ledger Interface and other Monthly Reporting

1. Following the close of each pay cycle, the payroll summary register is posted. This posting will update all files, including the general ledger, that interface with the payroll, based upon 'period ending date', not 'check date'.
2. Additionally, the employee history records will be updated.
3. The following registers are printed after each pay cycle: Pre list and EFT list.

7.4.9 End of Quarter Reporting

1. Each quarter must be closed before any void/manual or regular payroll can be posted for the following month.
2. Since all adjustments for a quarter must be made to that quarter to insure that the taxes are withheld and reported correctly, it is important that any and all adjustments and changes be quickly communicated to the Payroll Coordinator.
3. When all adjustments have been posted, quarterly reports are run and printed.
4. Refer to Payroll Tax Reporting Procedures, above, for specific comments about quarterly P/R Tax Reports.

7.4.10 End of Year Reporting

1. To insure that wages, taxes and other deductions are reported correctly on each employee's W-2 form, it is important that all adjustments be made as quickly as possible to the Payroll Ledger.
2. To all Supervisors, please remember that the District's fiscal year end is August 31 but the calendar year end for wages is December 31. January, therefore, is the month when all adjustments must be cleared for the preceding year.
3. W-2 information is electronically transferred to the IRS with hard copies going to the employee for his/her personal filing.
4. Final calendar year end reports are run.

7.4.11 Record Retention

1. Five Years of Monthly, Quarterly and Annual reports are kept at the District Payroll Office.
2. All information is kept on tape back-up for ease of recall.

3. All other records are sent to the Records Department and are maintained according to Federal and State requirements.

Human Resources

8.1 Intent

To recommend policy and procedure that will insure conformity and consistency in the implementation of the Human Resources (HR) operation at the Blinn College District.

These procedures will comply with the Blinn College District Board Policy Manual, Section D: Personnel (Legal & Local). Conflicting issues are to Board Policy.

8.2 Scope

The scope of this section is to present the guidelines developed by the Human Resources Department that will provide internal consultation by providing expertise in the planning, developing and implementing the College's human resources programs and providing staff assistance to managers throughout the organization in implementing the Board of Trustee's Personnel Policies. The procedures presented below will serve to identify and outline the specific functions performed, the regularity that those functions must be performed and the designated responsible individuals.

8.3 General Guidelines

8.3.1 General Statement of Purpose

The Human Resources Department will provide expert leadership relating to Human Resource issues, programs, services and activities for the Blinn College District. Through well designed and well managed programs, the Human Resources Department seeks to attract, employ and develop a professional and knowledgeable workforce which supports the College's mission of educational excellence.

Blinn College District provides equal treatment and opportunity to all persons without regard to race, color, religion, national origin, sex, age and disability except where such distinction is required by law, Blinn College District Board Policy, Section DAA (Local).

8.3.2 Designation of Responsibilities

The Director, Human Resources is charged with the overall responsibility for ensuring that the Board Policies are implemented in the College through the development, implementation and coordination of the following:

1. Recruitment and Selection
2. Applicant Flow
3. Employee Relations
4. Wage and Salary Administration
5. EEO and Compliance Reporting
6. Record Maintenance
7. Benefit Administration
8. Payroll Administration
9. Training
10. Compensation Administration

To aid in the fulfillment of the above responsibilities, the Staff of the Human Resources Department are grouped according to functional activities which have specific goals and objectives and are bound together by a common purpose. These functional activities have been described in detail, below, under Specific Guidelines.

8.3.3 Organizational Report

Report's to the Vice President of Administrative Services.

8.4. Specific Functional Areas

8.4.1 Compensation and Personnel Budget Administration

1. Personnel Salary Budget Oversight and Annual Development
2. Applicant tracking and database maintenance
3. Review of Position Posting KSA criteria

4. Position Description Maintenance
5. Monitors and Maintains consistency within the compensation system
6. Review and/or determination of Compensation levels of hires and salary adjustments
7. Job analysis and evaluation

8.4.2 Benefits Administration

1. COBRA, FMLA
2. Employee Assistance Program information
3. New hire processing
4. New hire information
5. Employee service and salary histories
6. Employee verifications
7. Group health insurance program
8. Retirement and savings plans
9. Benefit auditing, billing and reconciliation
10. Disability (long term, short term)
11. Continuation of benefits
12. Flex plans
13. Death claims
14. Benefit enrollment
15. Exit interviews

8.4.3 Payroll Administration

1. Leave keeping and balances
2. Process timesheets
3. Verify/ balance/ calculate payroll
4. Prepare direct deposit with Clearinghouse
5. Post payroll to employee records and general ledger
6. Prepare and distribute all vendor payments
7. Prepare tax deposit employer/employee taxes
8. Prepare monthly, quarterly and annual compliance reports
9. Annually prepare W-2's
10. ERS, TRS & ORP premium remittance & reconciliation

8.4.4 Generalist Administration

1. Workers Compensation
2. Unemployment compensation and claim response
3. Benefits premiums and federal payroll taxes
4. Employee investigations and problem resolution
5. Maintains employee training programs
6. Employee conference and complaints

8.4.5 Human Resources Manager – Bryan Campus

1. Group health insurance program
2. Retirement and savings plans
3. Salary surveys and market studies
4. New hire processing and information
5. Benefit enrollment
6. Employee relations

8.4.6 Human Resources Specialist

1. Support to HR office
2. Employment verifications
3. Advertising
4. First point of contact for office visits and phone calls
5. New hire data entry

8.4.7 Other Sources of Information

The Human Resources Department has created an informative Home Page for the Department on the College's Web Page, which includes the College's salary schedules, classification plan and forms relating to benefits.

Audit

9.1 Intent

To provide procedures that will insure conformity in the gathering of information and the eventual discernment of that information on a college-wide basis while efficiently employing the resources and time of the College District's employees.

The accounts of the College District shall be audited in accordance with the approved financial reporting system (Education Code 61.065).

These procedures will allow the Board to be in compliance with the objectives as stated in the Blinn College District Policy Manual, Sections CDC (Legal & Local).

9.2 Scope

The scope of this section is to provide general overall guidelines necessary to develop an audit plan that will allow management to have reasonable assurance about whether the financial statements are free of material misstatement. This audit plan will state procedures to identify and outline the specific functions to be performed, the regularity that those functions will be performed and the designated responsible individuals involved from the Accounting and Business Offices.

9.3 General Guidelines

9.3.1 General Statement of Audit Guidelines

Audits for the College District shall be performed in accordance with generally accepted auditing standards (GAAS) and Government Auditing Standards (GAS) issued by the Comptroller General of the United States. Also, the audit report must include requirements from OMB Circular A-133 for Federal Grants and Contracts and requirements in the State of Texas Single Audit Circular, Section IV of the Uniform Grant Management Standards, for the State Grants and Contracts.

The audits of the College District shall include both external and internal audit procedures, and shall include examination of evidence, on a test basis, supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

An annual audit of all funds should be made to determine (CDC - Local):

1. The adequacy of the Board's fiscal policies.
2. The execution of those fiscal policies.
3. A check and review of the College District's fiscal action for the preceding year.

9.3.2 Designation of Responsibilities

Audits may be made of: Blinn College District as a whole, or as an individual campus.

The designation of responsibility will change depending upon the entity being audited, as explained below. For the Blinn College District as a whole, the CFO/Sr. VP for Finance and Administrative Services is responsible for the overall financial statement presentation, for the audit of those statements and for the presentation of that audit to the Board.

For each individual campus audit, the CFO/Sr. VP for Finance and Administrative Services is responsible for the financial reporting, and, therefore, the internal control procedures applicable and necessary for that campus.

While the CFO/Sr. VP for Finance and Administrative Services is responsible for the financial reporting and internal control procedures for the College District, a Department Head, additionally, is responsible for the operations of his/her own Department.

In support of the above, the assessment and evaluation of all internal control procedures may be performed by the designee and direction of the CFO/Sr. VP for Finance and Administrative Services.

Additionally, independent external assessment of internal control procedures may be requested, as deemed necessary, by the President.

9.3.3 Internal Control Procedures

The management of the Blinn College District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures.

The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. The College District President or designee shall maintain a system of internal controls to deter and monitor for fraud or financial impropriety in the College District (CDE – Local).

Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

9.4 Specific Guidelines

9.4.1 External Audit

The Blinn College District Board of Trustees shall select an auditing firm a Request for Proposal (RFP) or an engagement letter that outlines the Board's expectations for the annual audit and ensures that the audit firm follows the guideline and standards of the American Institute of Certified Public Accountants (AICPA) and the Governmental Accounting Standards Board (GASB) (CDC – Local).

The Audited Financial Report (AFR) must follow the requirements from the OMB Circular A-133 for Federal and contracts and the requirements for state grants and contracts in the State of Texas Single Audit Circular.

A comprehensive audit report of all funds and accounts, Audited Financial Report (AFR), of the College District including a management letter shall be submitted annually to the Blinn College District Board of Trustees.

A copy of the independent audit shall become a part of the Blinn College District Board of Trustees' official minutes and shall be available to the public for inspection during regular hours.

The annual audit report for the fiscal year ending August 31 shall be filed with the Coordinating Board on or prior to January 1 next following the close of the fiscal year for which the audit was made. Distribution of the Audited Financial Report (AFR) is as follows:

1. Three copies to the Texas Higher Education Coordinating Board
2. One copy to the Comptroller of Public Accounts
3. Three copies to the State Auditor's Office
4. One copy to the Governor's Budget & Planning Office
5. One copy to the Legislative Budget Board
6. One copy to the House Appropriations Committee
7. One copy to the Senate Finance Committee
8. One copy to the Legislative Reference Library
9. One copy, along with the Federal Audit Clearinghouse "Data Collection Form" to the Federal Audit Clearinghouse
10. One copy electronically to the Department of Education through the eZ-Audit website

9.4.2 Internal Audit

All college accounts and records shall be subject to internal audit as deemed appropriate by the CFO/Sr. VP for Finance and Administrative Services and/or the President. The objective of internal accounting control is to provide reasonable assurance as to the safeguarding of assets against loss from unauthorized use or disposition and to evaluate the reliability of financial records for preparing financial statements and maintaining accountability for assets. Findings of such audits shall be reported to the Blinn College District Board of Trustees.

Fixed Assets

10.1 Intent

To provide procedures that will insure conformity in the gathering of information and the eventual discernment of that information on a College-wide basis while efficiently employing the resources and time of the College District's employees.

The College District shall maintain financial records on the Fixed Assets in accordance with generally accepted accounting principles and federal regulations and state regulations. These procedures will allow the Board to be in compliance with the objectives as stated in the Blinn College District Policy Manual, Sections CAL (Legal).

10.2 Scope

The scope of this section is to outline specific procedures necessary to maintain appropriate stewardship pertaining to the Fixed Assets of the College District. These procedures will identify and outline the specific functions to be performed, the regularity that those functions must be performed and the designated responsible individuals involved from both the Accounting and Business Offices.

10.3 General Guidelines

10.3.1 Designation of Responsibilities

The CFO/Sr. VP for Finance and Administrative Services or designee shall serve as the Fixed Asset coordinator of the College District. Accordingly, he or she shall be responsible for maintaining fixed asset records, insurance, conducting annual inventories, coordinating tagging fixed assets, and responsible for reallocating or disposing of surplus equipment.

Detail Fixed Asset records, along with additions or deletions, are maintained by the Accounting Department. The Risk Manager is responsible for insuring the assets. The annual physical inventory is taken by the Fixed Asset Accountant on all Campuses and the Dean of Academic Technology for all computer related equipment. The Purchasing Department is responsible for handing out tags, for assets greater than or equal to \$5,000, at the time the item(s) are purchased and forwarding the paperwork to Accounting to add to the inventory list. Each department is responsible for disposing and transferring assets according to procedures. Maintenance Departments are responsible for the actual disposal and transferring assets.

10.3.2 Description of Fixed Assets

Each Fixed Asset Unit must possess all of the following characteristics:

1. It retains its original shape and appearance with use.
2. It is non-expandable. If the article is damaged or some of its parts are lost or worn out, it is usually more feasible to repair it rather than to replace it with an entirely new unit.
3. Each individual unit represents an investment of \$5,000 or more.
4. The repair of a capital item is not classified as a fixed asset unless the repair is in excess of \$5,000 and substantially extends the life of the asset.
5. It does not lose its identity through incorporation into a different or more complex unit or substance.
6. It must be usable for more than one year.
7. Major repairs and renovations to buildings and facilities are capitalized if over \$100,000 adds value to the existing assets and extends the useful life.
8. Works of Art and Historical Treasures are items that are held for public exhibition, education or research in furtherance of public service, rather than financial gain.

10.3.3 Accounting Guidelines

It shall be the policy of the College District to comply with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

Fixed assets shall be recorded at original (historical) cost. Original cost shall include both the purchase price or construction cost of the asset and any other necessary and reasonable costs incurred to place the asset in service at its intended location. In the event that the original cost is not available, assets will be valued in accordance with professional appraisal standards to estimate original cost.

Costs related to the demolition and/or removal of existing structures is considered part of the cost of the land and shall be capitalized, provided such land was acquired with the express intent of the demolition and clearing of the existing structure.

Assets that are donated will be recorded at their fair value on the date the donation is made.

Intangible capital assets such as internal-use software would be capitalized at the cost of the external direct costs of materials and services consumed in developing or obtaining the software. Upgrades and enhancements would be capitalized only to the extent that they increase the functionality of the product.

Works of art, collections and historical treasures are capitalized at their historical cost or fair market value at date of donation or purchase.

Accounting for Capital Leases for equipment and real property acquired through capital leasing transactions, where the College is the lessee, shall be considered to be owned by the College District at the time the lease is signed. The asset shall be recorded at an amount equal to the present value of the minimum lease payments, not to exceed the fair value of the asset. Classification, depreciation and useful life shall be assigned the same as for normal assets.

10.3.4 Maintenance of Records and Documentation

The master inventory records are kept in the Accounting Department. Information concerning all additions, deletions and changes must flow through the Accounting Department in order to insure the accuracy of the Fixed Assets listing.

10.3.5 General Ledger Account Codes

Fixed Assets are coded for budgetary purposes to FINS codes 765 Capital Equipment, 770 Capital Outlay for Buildings and Construction and 772 Property and Land as outlined in the table below:

Budgeted expenditures		
FINS Code	Description	Object
765	Equipment and Furniture	7370
765	Motor Vehicles	7371
765	Computer Software	7377
770	Construction	7341
770	Engineering Fees	7342
770	Architectural Fees	7343
770	Renovations and Repairs	7344
770	Property Acquisition Costs	7346
770	Museum Project	7380
770	Future Projects	7600
772	Property	7345

Fixed Assets are coded for financial statement purposes are as outlined in the table below:

Financial Statement Coding Depreciation Expense			
FINS Code	Income Statement Code	Description	Object Code
500	9500	Land Improvement Depr	8010
500	9500	Computer Equipment Depr	8020
500	9500	Furn/Equip/Vehicle Depr	8030
500	9500	Building Depr	8040
500	9500	Library Book Depr	8050

10.3.6 Location of Inventory Tags

Tags shall be uniformly placed on similar types of property, in a visible location, but in a manner that will not mar the appearance of the property. Exceptions are for Works of Art or Historical Treasures and band instruments.

10.4 Specific Guidelines

10.4.1 Purchase of Fixed Assets

10.4.1.1 Current Budgeted Equipment

All Equipment must be purchased from the budget currently approved for that location for the fiscal year.

Requisitions for equipment must be made through the Purchasing. These requests will follow the Purchasing Guidelines as set forth in the Purchasing section of this manual.

Please Note: Items with "Unit Costs" less than \$5,000 are NOT Fixed Assets and will be charged back to the originating location in another expense account.

When an item \$5,000 or over is ordered, Purchasing will send the department an inventory form along with an inventory tag. The department will affix the tag onto the fixed asset and return the inventory form filled out back to purchasing. Purchasing will forward the information onto Accounting for entry into the Fixed Assets system.

If the item is computer related, the Academic Technology Department will tag the equipment and enter the inventory information into their inventory system.

10.4.1.2 Replacement or Repair of Major Capital Items

An internally designated Renovation and Report Budget is set aside for the repair or replacement of major capital budgeted items. The CFO/Sr. VP for Finance and Administrative Services shall approve all projects following purchasing procedures for purchase of Building, Land and/or Land Improvements and Equipment.

10.4.1.3 Equipment Purchased with Grant Funds

Equipment is purchased according to the procedures outlined in "Current Budgeted Equipment", above in item 10.4.1.1, 2-6, except that all equipment purchased under a Grant must be approved by the Grant Program Manager according to the Grant Budget. Many grants restrict the sale and/or specify the usage of equipment purchased with grant funds.

10.4.2 Change or Removal of Fixed Assets

10.4.2.1 Movement of Fixed Assets

The movement of fixed assets from one location to another within the College District must be recorded by means of a Transfer Inventory Form. This form must be signed by the head of the department releasing the property and sent to the Maintenance Department who will assist with the actual transfer. If the item is a computer related item, then the "Authorization for Equipment Transfer or Disposal" form should go to the Academic technology Department. These forms that pertain to assets with values > \$5,000 should be forward to the Accounting Department to enter in the Fixed Asset System. Items transferred from one department to another will be transferred at the original cost at the date of purchase.

Please Note: If the item is a Grants asset, *the Grant Manager must be contacted before the item is moved*. Some Grants restrict the usage of the equipment purchased under the grant for specific purposes.

10.4.2.2 Sales or Disposal of Fixed Assets

Excess equipment can generally be classified into three categories:

1. Serviceable equipment that is excess to the needs of the department as the result of technological changes or modifications in curriculum concept or instructional procedures.
2. Worn out or broken equipment which would cost more to repair than can be justified.
3. Worn out or broken equipment which can be economically repaired.

When a serviceable major equipment item becomes unnecessary to the needs of a department, the "Authorization for Equipment Transfer or Disposal" form should be prepared and submitted to the Maintenance Department. This form should identify the kind, inventory tag number, location, and condition of the property. The Maintenance Department will remove the asset and make a determination the disposal method.

Please Note: If the inventory item is a Grants Equipment, *the Grant Manager must be contacted before the item is disposed or sold*. Some Grants restrict the usage of the equipment purchased under the grant for specific purposes or require that funds generated from the sale of such equipment be allocated for specific purposes.

If it is determined that no other location has a use for the property or equipment, the property or equipment will be scheduled for auction after seeking the CFO/Sr. VP for Finance and Administrative Services approval.

This auction will be coordinated by the Purchasing Department and notice of this auction should be made known to all of the other locations at least one month prior to the actual auction date.

If the value of any property, equipment, or lot of property to be sold is estimated to be over \$5,000, the sale shall be advertised at least one time in at least one newspaper in the general vicinity where the property is located by the Purchasing Department.

Proceeds from the sale of the property will be turned over to the Accounting Department to insure proper receipting and removal of the assets from the Fixed Asset Program. The fee assessed by the agent for this service will be paid from these proceeds.

10.4.2.3 Theft or Loss of Equipment

It is the responsibility of each employee to exert the utmost care and attention to safeguarding the property of the College.

If an employee suspects that a theft has occurred, the loss should immediately be brought to the attention of the employee's supervisor, who should then notify Security. Security will conduct an investigation on any reported loss of major equipment and will report findings and recommendations to the appropriate Vice President. The Vice President will determine the disposition of each case.

Security will investigate all losses and make reports to the appropriate authorities. All stolen property must be reported to the local police. Theft of any items procured with federal funds must be reported to local enforcement agencies and to the FBI.

The CFO/Sr. VP for Finance and Administrative Services must be contacted for removal of the item from the Physical Plant List, who, in turn, will notify the Accounting Department to make the removal on the General Ledger system.

10.4.3 Physical Inventory

The physical inventory is taken by the Fixed Asset Accountant for all campuses and the Dean of Academic Technology for all computer related equipment. The Director of Accounting will provide a detail inventory listing of all equipment on hand for inventory purposes. This list will show:

1. Asset Description
2. Inventory Number
3. Budget Code #
4. Serial Number, where available
5. Model #
6. Dollar Amount

Non-inventory items should be added to the list with all pertinent data (description, location, manufacturer, serial #, etc.) to enable the Accountant, Fixed Assets to research and determine if the original value is at least \$5,000.

If more than one decal number is listed on a piece of equipment, all decal numbers should be listed on the print-out.

Items listed on the print-out that should be omitted shall be lined out with explanation indicating the reason for elimination, including:

1. Lost or stolen
2. Worn out or disassembled
3. Item moved to another location (indicate new location)

Please Note: Any items above that were not previously accounted for and are now being reported as missing will be included in a report to the CFO/Sr. VP for Finance and Administrative Services.

Equipment should not be deleted from the print-out until it can be determined that the equipment cannot be located in any other location. Budget code numbers on the print-out should be changed to reflect all new locations.

10.5 Depreciation

Capital assets with a value of \$5,000 or more are depreciated per the following depreciation schedule. Donated capital assets are valued at their estimated fair market value on the date of donation. Museum collections are capitalized, but not depreciated. Major Repairs and Renovations to Buildings and Facilities are capitalized if > \$100,000. Following is the schedule of depreciation:

- | | |
|--------------------------------------|------------|
| 1. Buildings | 50 years |
| 2. Land improvements | 20 years |
| 3. Library books | 15 years |
| 4. Furniture, equipment and vehicles | 5-10 years |
| 5. Computer systems | 5 years |

10.6 Star of Republic Museum Collections

The Star of Republic Museum displays and library contains 19th and 20th century materials on Texas history including many rare volumes of Texana. The Director of the Star of Republic Museum maintains a list of the collections and annually gives the Director of Accounting the total \$ amount of the Collections. With the sensitivity of these collections and the donors, this information remains confidential.

10.7 Library Books

The Library on the Brenham and Bryan Campuses contains approximately 173,900 books and reference materials combined. The Director of Library Services annually inventories these materials and forwards the number of books, reference materials and etc. along with the # of items purchased, withdrawn or lost or gain. This information is forwarded to the Director of Accounting to calculate the total dollar value of the library materials. The cost is figured using an average cost inventory calculation.

Treasury – Investments

11.1 Intent

To provide procedures that will insure conformity in the gathering of information and the eventual discernment of that information, while efficiently employing the resources and time of the College District's employees.

These procedures will be in compliance with the objectives as stated in the Blinn College District Policy Manual concerning the management of funds generated through the following *Appropriations & Revenue Sources*:

1. Section CAA – State
2. Section CAB – Federal
3. Section CAD - Bond Issues
4. Section CAE – Time Warrants
5. Section CAF – Certificates of Indebtedness
6. Section CAG - Revenue Bonds and Obligations
7. Section CAH – Loans and Notes
8. Section CAI - Ad Valorem Taxes
9. Section CAJ - Appraisal District
10. Section CAK – Investments
11. Section CAL - Sale, Trade or Lease of College-Owned Property
12. Section CAM – Grants, Funds, Donations from Private Sources
13. Section CAN - Rentals and Service Charges
14. Section CAO - Public Facilities Corporations

And concerning Section CB - Depository of Funds.

11.2 Scope

The scope of this section is to outline specific procedures necessary to oversee and administer the Treasury function and the resulting investments of the College District. These procedures will (1) identify and outline fund accounts, debt service requirements, and allowable investments, (2) the manner in which each will be maintained and (3) the designated responsible individuals.

11.3 General Guidelines

11.3.1 Designation of Responsibilities

The CFO/Sr. VP for Finance and Administrative Services and the Director of Accounting ("Investment Officers") are authorized to invest available funds, according to the guidelines within this policy. There shall also be an investment committee that will consist of five members, including the investment officers and three additional members appointed by the Board

The investment responsibility has been delegated to the Director of Accounting, subject to the approval of the President and/or CFO/Sr. VP for Finance and Administrative Services. Records will be kept by the Director of Accounting who will provide a detail accounting of all investment and cash management activity to the CFO/Sr. VP for Finance and Administrative Services for presentation to the Board at each regular meeting.

11.3.2 Investment / Cash Management Strategy

The primary investment / cash management strategy will be developed in accordance with Board Policy and will be designed to meet the needs of College District's cash requirements.

Cash required for operating funds shall be invested in short term, highly liquid investments readily convertible to cash. These investments shall be classified as cash equivalents and include (among others):

1. Demand and open time accounts with depository institutions, insured by the FDIC and further collateralized with pledged securities or surety bonds to meet minimum security requirements;
2. Investment Pools, such as TexPool, Lone Star and TexStar as approved specifically by Board Policy.

3. Funds required for endowments, debt service, etc. shall be invested in instruments and securities ranging from short-to intermediate-term maturity and include:
 - a. Obligations of the United States or its agencies and instrumentality's;
 - b. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the United States;
 - c. Fully collateralized repurchase agreements having a defined termination date and secured by obligations (See more complete definition in Section CAK).

11.4 Specific Guidelines

11.4.1 Cash Management

The College District needs for cash for operational purposes is the underlying goal in the development of its cash management policies and resulting procedures.

All deposits of the College District are made into its central depository account and are monitored daily by the Director of Accounting. The Schulenburg and Sealy campuses have separate depository accounts into which deposits are made. Additionally, a separate account is maintained for the receipt of all internet credit card payments. A Standing Transfer Order is in place for the Schulenburg account and available balances in excess of \$25,000 are transferred daily to the College District's central depository account. Transfers from the Sealy account are made manually, since transactions are minimal.

Student loan receipts are credited directly by the various loan disbursing agencies to a designated student loan bank account maintained at the College District's central banking institution. Transfers from this account are made periodically to the central depository account, based on operational cash needs and account balances. Other receipts, such as monthly state appropriations, Federal and state grants, withdrawals from Investment Pools are credited directly to the central depository account. Disbursements from the central depository account include:

1. Transfers to the Accounts Payable disbursement account to fund the amount of the current check run (usually twice a week);
2. Transfers to the Payroll disbursement account for the 5th and 20th of the month payroll and related payroll taxes;
3. Transfers to the Workers Compensation disbursement account to cover Claims Administrator debits for the payment of compensation claims;
4. Transfers for investment of excess cash in Investment Pools;
5. Teacher Retirement contributions (TRS) and monthly state sales tax liability.

Electronic *Positive Pay* files are generated for each accounts payable check run, which allows the Bank to compare checks presented for payment to approved disbursements.

The balance in the central depository account is monitored daily. Any cash in excess of current requirements is transferred to an Investment Pool. If necessary, funds are withdrawn from an Investment Pool to meet payment requirements.

The Director of Accounting compares the account balances at the central depository institution to the amount of FDIC insurance and other securities pledged as collateral to meet minimum security requirements based on monthly Pledge Reports furnished by the Bank. The other campus bank accounts are secured by FDIC insurance since minimal balances are maintained in the accounts.

Monthly general ledger journal entries are prepared to record interest earned on the funds, investment activity and transfers to / from the central depository account. The resulting general ledger account balances are compared to monthly statements received from the Banks, Investment Pools and Investment Broker.

An *Investment Report by Fund* is prepared monthly for the Board of Trustees. The report presents the investment portfolio diversification, interest rate yields, current and prior month book values and current market values. Also presented are current period purchases and maturities, interest earnings and the Operating / Restricted classification of the funds. This report is posted on the College's website as required by Texas Government Code, Section 2256.023.

The *Public Funds Investment Act Report* is prepared annually and posted on the College's website as required by Texas Government Code, Section 2256.023. This is an annual report of the College's investment assets as of the fiscal year-end.

11.4.2 Operational and Capital Financing

11.4.2.1 Combined Fee Revenue and Refunding Bonds

The College District has issued Combined Fee Revenue and Refunding Bonds to pay the costs of acquisition, construction, improvement and equipment of College District facilities and the acquisition of sites therefore, including the payment / refund of prior College District obligations. Debt service requirements are payable from designated portion of tuition and registration charges, other fee charges and designated revenues.

Budgeting

12.1 Intent

To provide procedures that will insure conformity in the gathering of information and the eventual discernment of that information on a District-wide basis while efficiently employing the resources and time of the District's employees.

The budget planning process will allow the Board to be in compliance with the objectives as stated in the Blinn College District Policy Manual, Sections CC (Legal & Local).

12.2 Scope

The scope of this section is to provide guidelines to the development of an annual budget.

The Board of Trustees shall approve an annual budget by September 1 of each year that accounts for funds required to secure the personnel, facilities, equipment, materials and services required to accomplish effectively the approved functions of the District, Blinn College District Policy Manual CC (Local) & (Legal).

12.3 General Guidelines

12.3.1 Board Policy

Board Policy, as it relates to the Budget Planning process can be found in Sections CC (Legal & Local) of the Blinn College District Board Policy Manual. Specific references have been extracted into the guidelines below, as functionally appropriate. However, a general policy statement concerning the Annual Operating Budget Planning Process found in Section CC (Local) states:

Budget planning shall be an integral part of overall program planning so that the budget effectively reflects the District's programs and activities and provides the resources to implement them. In the planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered. Budget planning and evaluation are continuous processes and should be a part of each month's activities.

The budget shall conform to Texas Higher Education Coordinating Board requirements and meet the standards of the Commission on Colleges of the Southern Association of Colleges and Schools.

12.3.2 Designation of Responsibilities

The District President or his designee shall determine and assign budget preparation responsibilities. The CFO/Sr. Vice President Finance & Administrative Services shall serve as budget officer for the District. The Budget officer's duties shall include:

1. Responsibility for the preparation of a budget covering estimated receipts and proposed expenditures of the District for the ensuing fiscal year.
2. Ensuring that proper records are kept and copies of the budget and other reports are filed with the proper authorities at the proper times.

The CFO/Sr. Vice President Finance & Administrative Services shall designate the Budget Director as deputy budget officer. The deputy budget officer shall assist in professional and technical aspects of the budget preparation.

12.3.3 Calendars and Timing

The budget preparation calendar and any revised calendars shall be prepared each year by the Budget Director in conjunction with the CFO/Sr. Vice President Finance & Administrative Services.

The Budget Director shall supervise the development of a budget calendar and a specific plan for budget preparation that ensures appropriate input from all levels of operation within the District.

The annual budget building process will begin early in the Spring Term with the budget to be adopted by the Board of Trustees at the August meeting.

An itemized budget covering the operation of the District shall be approved on or before September 1 of each year for the fiscal year beginning on September 1 of each year.
Blinn College District Policy Manual, Section CC (Legal).

The approved budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the College District's approved purchasing procedures. The expenditure of funds shall be under the direction of the College District President or designee who shall ensure that funds are expended in accordance with the adopted budget. Blinn College District Policy Manual CC (Local).

Copies of the approved budget, including current operating funds, shall be furnished to the Texas Higher Education Coordinating Board (two copies), the Governor's Budget and Planning Office, Legislative Budget Board, and Legislative Reference Library by December 1 of each year. Additional copies shall be delivered to the Coordinating Board as required. The Board shall retain five copies of the budget for distribution to legislators or other state official on request. Copies shall be maintained in the College District's library. Education Code 51.0051, 19 TAC 13.43. Blinn College District Policy Manual CC (Legal).

12.4 Specific Guidelines

12.4.1 Budget Preparation and Distribution

The Blinn College District Annual Budget shall be prepared by the Budget Director with specific input on salaries and benefits from the Director of Human Resources.

After adoption by the Board of Trustees, the budget will be distributed as legally required in Blinn College District Policy Manual CC (legal) by the CFO/Sr. Vice President Finance & Administrative Services.

12.4.2 Budget Building Process

The Budget is developed using information from the following major areas:

1. Strategic Plans & Assumptions
2. Revenue Sources
3. Expenditures
4. Staffing Plan
5. Capital Needs

Each area has been explained, in more detail, below.

12.4.2.1 Strategic Plans & Assumptions

Each Department Head is asked to submit a strategic plan for new programs for the upcoming year. This plan should include assumptions about enrollment, future instructional goals, changes in current processes, procedures and laws and any other area that will require a future commitment of resources that will need to be allowed for in the planning process.

The District President and the Vice President Academic Affairs will review these plans and decide on projected enrollment levels and which projects should/must be addressed in the upcoming Budget in conjunction with the Executive Council.

12.4.2.2 Revenue Sources

Revenue is derived from many different sources, as outlined below. A more in-depth discussion of revenue can be found in the **Treasury** section of this manual.

1. Tuition & Fees - The enrollment projections, by campus, are used to arrive at expected tuition and fees revenue. The Board will be requested to establish a tuition rate sufficient to support the educational plans and the projected expenditures necessary to implement those plans.
2. Tax Levy Collections - Information from Appraisal Districts' tax rolls is used to approximate tax revenues. Rates are estimated that will allow the District to partially finance operations and to pay the principal and interest on general obligation long-term debt.
3. State Appropriations - Appropriations come from the State Legislature at contact hour rates established by the Texas State Coordinating Board.
4. Interest Income - This is estimated from an investments schedule prepared by the Accounting Department. The District's investments must be in accordance with the Blinn College District

Investment Policy and mainly consist of fully collateralized or insured certificates of deposit, US Treasury securities, and US government agency obligations.

5. Other Income - This includes but is not limited to Sales of Assets, Contributions, Grants and Income from Auxiliary Activities.

12.4.2.3 Expenditures

The budget must be itemized in detail according to classification and purpose of expenditure and shall be in the format required by the "Annual Financial Reporting Requirements for Public Community and Junior Colleges in Texas."

Classifications and definitions of Educational and General Expenditures (Elements of Institutional Costs) as required by the State of Texas are detailed below in Appendix A.

The District utilizes Expenditure Object Codes to allow for accurate classification, collection and summarization of expenditures. These account codes are detailed below in Appendix B.

12.4.2.4 Staffing Plans

Staffing Plans are developed by each Department with the assistance of the Director of Human Resources. The Director of Human Resources furnishes the Budget Director the proposed expenditures for staffing along with applicable benefits to be included in the budget. All additions to staff must be approved, in advance, by the District President. Please refer to the **Personnel** section of this manual for more complete information.

12.4.3 Reporting and Budget Comparisons

Continual planning and regular evaluation of the District's programs and activities are integral parts of the process to insure that general educational goals and specific program goals are effectively being accomplished. CFO/Sr. Vice President Finance & Administrative Services shall report to the Board, on a monthly basis, the actual financial status of the District as compared to the planned goals and budgets previously established for the operations of the District.

12.4.4 Financial Planning

To enable the Board to accurately know the policy impact of financial decisions and to allow the District to meet budgetary and operational goals, Financial Planning is required as a continuing process. Financial Planning is the responsibility of the CFO/Sr. Vice President Finance & Administrative Services.

Fund requirements for the District are met through the collection of tuition, fees, state allocations, ad valorem taxes, federal and state grants, interest on investments, and other auxiliary sources, maintenance of fund balances and issuance of bonds (general obligation, combined fee revenue and contractual obligation) which are based principally on future revenues from property taxes, tuition allocation and investment income. A more in-depth discussion of this area can be found in the **Treasury - Investments** section of this manual.

12.5 Classifications and Definitions of Educational and General Expenditures

12.5.1 General Administration and Student Services

Salaries, wages and all other costs for the following functions and activities:

1. General Administration

- a. Government of the Institution - Costs incurred on behalf of the governing body in discharging its responsibilities. Example: Governing Board.
- b. Executive Direction and Control - Costs incurred in the executive direction, control and implementation of policies of the governing board and the Chief Executive Officer. Excluded are costs of academic administrative functions.
- c. Business and Fiscal Management - Costs incurred in the attainment of financial goals through proper and effective accounting records and procedures and budgetary and cost controls. Examples: Business Office, Accounting Office, Human Resources, Purchasing, Property and Inventory Control.

2. Student Services

- a. Admissions and Registration - Costs of administering admission activities, Processing and maintenance of student records and reports and the registration of students. Examples: Admissions & Records,
 - b. Other Student Services - Costs of Administering and coordinating the development and maintenance of student services.
3. **General Institutional Expense** - Expenses of a general nature which benefit the entire institution and are not related solely to any specific department or division. Included are salaries, wages and all other costs for the following functions, services or activities (excluding Auxiliary):
- a. Public information (i.e. Bulletins, Catalogues, Publications, etc.)
 - b. Institutional memberships
 - c. Convocations and public lectures
 - d. Official functions
 - e. Mail service
 - f. Development activities
 - g. Costs of maintaining alumni records for educational evaluation
 - h. Central telephones (excluding long distance and equipment costs)
 - i. Insurance (excluding property and benefits)
 - j. Central Administrative Computing (Information Technology)

12.5.2 Staff Benefits

Includes premiums or costs toward staff benefit programs, (examples: Group Insurance, Faculty Development Leaves, Retirement Plans, Workers Compensation Insurance, and etc.).

12.5.3 Resident Instruction

- 1. **General Academic Courses** - Includes all functions directly related to teaching, classified as follows:
 - a. Faculty Salaries - Salaries and wages of those engaged in the teaching function (including heads of departments, teaching assistants, laboratory assistants, teaching fellows and lecturers) that are responsible for a class, quiz, drill or laboratory section. Not included are guest lecturers, student assistants or other assistants whose primary duties involve grading, clerical functions, storekeeping or other subordinate functions.
 - b. Departmental Operating Expenses - Salaries, wages, supplies, travel, equipment and other items necessary for the operation of the instructional departments, other than faculty salaries.
 - c. Instructional Administration Expense - Salaries, wages, supplies, travel, equipment and other items necessary for the operation of the offices of Academic Deans or Directors of Teaching Departments. Examples include, but are not limited to: budget planning, faculty recruitment, development, curriculum expansion, student academic advisement and maintenance of scholastic and admission standards.
 - d. Organized Activities Related to Instructional Departments - All costs of activities operated for the purpose of giving professional training to students as a necessary part of the educational work.
- 2. **Vocational/Technical Courses** -
 - a. Faculty Salaries - Same as above, except as applicable to Vocational/Technical courses.
 - b. Departmental Operating Expenses - Same as above.
 - c. Instructional Administration Expense - Same as above.
 - d. Organized Activities Related to Instructional Departments - Same as above.

12.5.4 Library

Salaries, wages, other operating costs, books, periodicals, binding costs and equipment of separately organized libraries (including archives):

- 1. Salaries, Wages and Other Operating Expenses
- 2. Books and Equipment
- 3. Extension and Public Service - Costs of activities designed to serve the general public. Examples include: correspondence courses, adult study courses (a vocational), public lectures, radio and television stations, institutes, workshops, demonstrations or any other activity offered in response to community interest and need.

12.5.5 Physical Plant Operation and Maintenance

1. **Physical Plant General Services** - Costs to carry out duties of physical plant administration, planning and general services.
 - a. Administration - Salaries, wages, travel and other costs required to administer the physical plant facilities.
 - b. Planning - Salaries, wages, travel and other costs required to prepare architectural and engineering plans and specifications for the expansion renovation and rehabilitation of the physical plant facilities.
 - c. Other General Services - Acquisition and repair of general classroom and laboratory furniture, central receiving, stores of supplies, safety (including fire, hazard control, sanitation), trash disposal, hauling, moving, storing, property insurance, and truck and automobile expenses.
2. **Campus Security** - Salaries, wages, supplies, travel and other expenses to carry out the traffic and security services.
3. **Building Maintenance** - Salaries, wages, travel and other costs necessary to maintain each building in good appearance and usable condition. Examples are: minor repairs and alterations, costs of materials and personnel to make repairs.
4. **Custodial Services** - Salaries, wages, travel and other costs necessary to keep buildings in clean and sanitary condition. Examples included: care of floors, stairways, landings and restrooms, cleaning of chalkboards, windows and furniture and removal of trash.
5. **Ground Maintenance** - Salaries, wages, travel and other costs related to the upkeep of all lands (improved and unimproved), including courts, patios and inner court/gardens. Examples include: Landscaping improvements, Circulation systems, streets, roads and parking areas, traffic controls, walkways, fences, fountains, lighting, greenhouses, etc.
6. **Utilities** - All costs to purchase, manufacture and deliver utility services, including: electricity, steam heat, water, storm sewers, sanitary sewers, compressed air, and gas. Also includes owned telephone systems, repairs and preventive maintenance.

12.5.6 Special Items

Costs of items not included in any of the other areas.

1. **Major Repairs and Rehabilitation of Buildings and Facilities** - Includes salaries, wages and other costs required to perform major repairs, rehabilitation and renovation of existing buildings and facilities.
2. **Auxiliary Enterprises Expenditures** - Costs for services which are operated for the benefit of the students, faculty and staff and which are intended to be self-supporting. Includes Cafeteria, Snack Bars, Bookstores, Transportation, Intercollegiate Athletics, etc.

Facilities

13.1 Intent

To provide procedures that will be in compliance with the objectives as stated in the Blinn College District Policy Manual for:

The Student and Community Use of District Facilities, as stated in Sections GF (Legal & Local) and CAN (Legal) and the Usage of College District Vehicles, as stated in Section CJ (Legal).

13.2 Scope

The scope of this section is to outline specific procedures necessary to allow for the usage of the College District's facilities and vehicles. These procedures will identify the specific forms to be completed and the responsible individuals at the College from whom usage must be requested.

13.3 General Guidelines - Student and Community Use of District Facilities

13.3.1 Designation of Responsibilities

The person designated by the CFO/Sr. Vice President Finance & Administrative Services is responsible for approving applications for usage of facilities, notifying appropriate College personnel to verify that the facility use will not conflict with the ongoing instructional programs, arranging for appropriate equipment and personnel and the collection of usage fees (if, necessary).

The *applicant (organization/person)* renting the facilities shall be responsible for the enforcement of the compliance with the restrictions, as outlined below. They shall also be responsible for any theft or damage to property or injury to persons occurring on or about the buildings and facilities during the period of use and shall indemnify the District against any damage, theft or injury suffered and against any loss, theft or liability assessed for the injury to persons or property arising out of, or in connection with, the rental.

13.3.2 Board Policy

The Board recognizes that the Blinn College District was created to help meet the general educational, cultural and recreational needs of the community. Consistent with this philosophy is the District's willingness to make available its facilities and resources to community groups when such use does not interfere with the instructional mission of the institution, is consistent with the educational and community service objectives of the District and the application meets the requirements of the District. (Blinn College District Board Policy, Section GF (Local)).

The Board shall be authorized to fix and collect rentals, rates, charges or fees for the occupancy, use or availability of any of its properties, buildings, structures, activities, operations or facilities. Rates shall be in such amounts and collected in such a manner as may be determined by the President or his designate. (Blinn College District Board Policy, Section CAN (Legal))

13.3.3 Groups Permitted To Use Facilities

1. **Group I** - No Charge during Normal College Hours:
Groups consisting of students, faculty and staff.
2. **Group II** - At Cost:
Groups consisting of unpaid volunteers that are organized for general civic improvement, or welfare, may use the College facilities without charge unless this use constitutes a direct cost to the College. These meetings must have no admission charge.
3. **Group III** - Rental:
Rental rates shall be charged to groups using College facilities for activities to which admission fees are charged or contributions solicited, unless the total net receipts are expended for the welfare of the students of the District or for charitable purposes, in which case the group shall be classified as Group II - At Cost.
4. **Group IV** - Commercial Use:
All commercial uses by local or non-local groups where an admission fee is charged to make a profit for the sponsor and/or performers. Use of College facilities for purely commercial purposes will be denied unless the public welfare is significantly served by such use because of the educational or cultural value of the event.

13.3.4 Building Usage Restrictions

1. Smoking is allowed only in designated areas. All other areas are prohibited.
2. Possession, drinking or being under the influence of alcohol is prohibited on College property.
3. Youth or children's groups shall be supervised by responsible adults provided by the sponsoring organization.
4. College furniture, apparatus, and/or equipment shall not be removed, altered or displaced without permission from CFO/Sr. Vice President Finance & Administrative Services or his/her designee.
5. All decorations, signs or posters must receive prior approval and be approved for location of display.
6. Parking facilities cannot be reserved for times when classes are being conducted.
7. **Proof of insurance** coverage may be required.
8. User shall comply with all fire laws or regulations of any other government authority.
9. Appropriate security as determined by the College may be required.

13.4 Specific Guidelines - Student and Community Use of District Facilities

13.4.1 Applications for Use of Facilities

1. Applications for facility use will be made available to all prospective users.
2. Applications should be submitted to the office/person that maintains the forms.
3. Applications should be submitted at least four (4) weeks in advance of the proposed use date.
4. Approval of applications may be denied on the basis that the requested time, place or manner of use for the proposed facility conflicts with the community service objectives of the College.

13.4.2 Payment for Rental of Facilities

1. All charges will be billed after the event and are due on receipt of invoice.
2. If the application is accepted, it may be canceled by either party prior to the engagement without liability.
3. The building use fee will vary between Campuses, between Group classifications and depending upon room/facility requested. Each Campus will provide a schedule of these costs. However, the building fee structures should be updated annually to reflect current wage and utility costs.
4. Equipment and services may be available at additional charges. A schedule of these charges is available at each Campus.
5. In the case of a request for the use of any facility or service not covered in the schedule of fees, the CFO/Sr. Vice President Finance & Administrative Services will take into account the nature and length of the event along with specific optional requirements.
6. In some cases, non-paying groups may be charged for custodial services and/or other services as deemed necessary by the CFO/Sr. Vice President Finance & Administrative Services.

13.4.3 Maintenance, Renewal and Replacement of Facilities

13.4.3.1 Policy

Every District building shall be located on grounds that are well-drained and maintained in a sanitary condition. All buildings shall be properly ventilated and provided with an adequate supply of drinking water, an approved sewage disposal system, hand-washing facilities, a heating system, and lighting facilities, all of which shall conform to established standards of good public health engineering practices. (Blinn College District Board Policy, Section CHB (Legal))

13.4.3.2 Procedure

1. The person in charge of plant operations for the College must be contacted to request repairs or changes to equipment or buildings.
2. This can be done on a *Maintenance Request* (see Forms Appendix for an example).

13.5 General Guidelines - Usage of College Vehicles

13.5.1 Designation of Responsibilities

The designee of the CFO/Sr. Vice President Finance & Administrative Services is responsible for approving requests for the use of College vehicles, for the recording of usage logs and maintenance of vehicles.

13.5.2 Board Policy

Authorization for travel of faculty, staff and/or District sponsored student groups requiring the use of District vehicles shall be as follows:

(Blinn College District Board Policy, Section CJ (Local))

1. Applicants should complete a "Travel Request and Authorization" form obtained from the Blinn College District web site.
2. The instructional division head, dean, or other supervisor shall, before approving the request, determine that the proposed usage will contribute to the advancement of the instructional program, student activity, or professional development of the staff.
3. All travel outside the District service area and/or appropriate overnight trips must be with the approval of the appropriate vice-president.

Vehicles operated by the District shall be maintained and inspected as required by the Transportation Code. (Blinn College District Board Policy, Section CJA (Local))

13.5.3 General Guidelines

1. Individuals requesting the usage must be on the Blinn College District approved drivers list. To be added to the list, contact the **Transportation Department** for details.
2. Reservations will be based on a first come, first serve basis. No priorities are given.
3. The College vehicle is only used for official travel.

13.6 Specific Guidelines - Usage of College Vehicles

13.6.1 Procedures for Vehicle Check-Out

1. The person or Department requesting the College vehicle should contact the **Transportation or Purchasing Department** to reserve the vehicle.
2. When a reservation is made, the vehicle check-out person in the office records the departure date, vehicle ID (license number), driver's name, destination, beginning (current) mileage of the vehicle, and expected return date on the *Trip Travel Record*. (see Forms Appendix for an example).
3. At this point, the check-out person should verify that the recorded beginning mileage exactly matches the ending mileage of the immediately previous use. Any discrepancy is to be reported to the Vice President Administrative Services.
4. When the vehicle is checked out, the driver records the time out and signs the *Trip Travel Record*. The vehicle keys and the *Trip Travel Record* are received from the vehicle check-out person.
5. A *Trip Travel Record* must be completed when the College vehicle is used.
6. Prior to actual departure, the driver should verify the beginning mileage and immediately report any discrepancy to the vehicle check-out person.
7. Upon return of the vehicle, the vehicle check-out person retrieves the keys and records the ending mileage, time in and signs the *Trip Travel Record*.
8. The driver turns in the completed *Trip Travel Record* to the vehicle check-out person.
9. The vehicle check-out person prepares a journal entry for the usage of the vehicle.

13.6.2 Maintenance of College Vehicles

Any maintenance needs or operational problems noted on the *Vehicle Status Report* should be forwarded to the person in charge of plant operations for the College.

13.7 Forms

1. Maintenance Request
2. Travel Request and Authorization

Grants and Contracts

14.1 Intent

To provide procedures that will insure conformity in the gathering of information and the eventual discernment of that information on a College District wide basis while efficiently employing the resources and time of the College District employees.

The College District shall maintain its financial records and submit reports in accordance with the regulations as set forth from the various agencies from which grants have been awarded. These procedures will allow the Board to be in compliance with the objectives as stated in the Blinn College District Policy Manual, Sections CAM (Legal & Local).

14.2 Scope

The scope of this section is to outline specific procedures necessary to seek, receive and monitor funds granted from external sources. These procedures will identify and outline the specific functions to be performed, the regularity that those functions must be performed and the designated responsible individuals involved from the College District.

14.3 General Guidelines

14.3.1 Designation of Responsibilities

The Grant Accounting Office is the point of contact for all grant related communications between the College and the grant recipients, specifically the Grant Managers. The Grant Accounting office is under the direction of the Director of Accounting.

The Accounting Manager/Grant Accountant within the Grant Accounting office assists the Grant Managers in the financial realm of the grant process. The Grant Accounting office is within the Accounting Department. While the Grant Managers and the Accounting Manager/Grant Accountant will coordinate their efforts, the Accounting Manager/Grant Accountant is solely under the direction of the Accounting Department and the duties assigned are solely the duties of the Accounting Manager/Grant Accountant.

The Grant Manager of the project directs and maintains the spending of the grant funds, responsible for all programs of the grant, and acts in compliance of the grant's rules and regulations.

College District Faculty and Staff are invited to make applications or proposals to private or governmental agencies for external funding with pre-approval by their Vice President and shall submit a copy to the CFO/Sr. VP for Finance and Administrative Services and the Accounting Manager/Grant Accountant for review in a timely manner.

14.3.2 Responsibilities of the Grant Managers

The Grant Managers facilitate, coordinate, and assist the College District to seek and secure external funds from federal, state, and local agencies by:

1. Serving as point of contact for grant documents and correspondence with Federal, State, or Local funding agencies.
2. Researching funding opportunities
3. Interpreting criteria and regulations
4. Writing proposals
5. Obtaining signatures and submitting all proposals
6. Assisting in the negotiation of awards
7. Approving internal operating budget
8. Monitoring project performance and general expenditures
9. Submitting performance/fiscal reports
10. Tracking federal/state legislation
11. Coordinate the monitoring and site visits of funding agencies

The Grant Manager maintains the legal (contract) and audit files for all grant awards including federal monies as well as current copies of pertinent laws, regulations and agency rules for reference by College District's staff. A copy of the contract, financial information, and audit files will be kept in the Grant Accounting office along with a copy of the contract kept by the Senior Administrator of Budgets, Contracts, and Insurance.

14.3.3 Other General Guidelines

1. *Matching Funds* - Applications that require college matching support must be approved by the CFO/Sr. VP for Finance and Administrative Services.
2. *Policy Conflicts* - If there are differences between Blinn College District's policy and an agency's contractual policy, the Blinn College policy will prevail.

14.4 Specific Guidelines

14.4.1 Procedures to Implement Grants

1. College District Faculty and Staff are invited to make applications or proposals to private or governmental agencies for external funding with pre-approval by their Vice President and shall submit a copy to the CFO/Sr. VP for Finance and Administrative Services and the Accounting Manager/Grant Accountant for review in a timely manner. After the application or proposal goes through the review process by the appropriate Vice Presidents, it is then forwarded to the President for signature. All awarded contracts must be reviewed and approved by the CFO/Sr. VP for Finance and Administrative Services and signed by the President of Blinn College District. Only the President can commit the Blinn College District to contractual obligations.
2. For each individual grant awarded, Blinn College District will designate a Grant Manager for its governance and maintenance. This is often the individual who originally proposed the grant.
3. After notification of the award of a grant (NOA), the Grant Manager forwards a copy to the Accounting Manager/Grant Accountant with the request to create a new budget code for the grant. The Grant Accounting office sets up the budget code for input into the General Leger system. Additionally, a beginning and ending date for the grant award must be noted. If the grant is a Federal Grant, the CFDA number is required for audit and reporting purposes. The Grant Manager is responsible for supplying the CFDA number to the Accounting Manager/Grant Accountant.
4. A change of status form must be completed for each current employee who will be working under the grant's budget. This information is to be forwarded to the payroll department with proper approval and budget codes for payroll processing.

14.4.2 Monthly Processing and Grant Procedures

1. Purchases/Services
 - a. Purchase requisitions and/or check requests need to be completed for equipment, supply items, and services according to the Purchasing procedures set forth in this manual. Budget codes need to be included on the purchase requisition for proper processing. Capital equipment purchased under a Grant must be tagged for inventory purposes based on Blinn College's policy and the grant agency's asset requirements. Note: Perkin's grant assets also require a designated large bright orange tag next to the inventory tag. All information needs to be forwarded to the Accounting Manager/Grant Accountant.
 - b. In the event contractual services are required (i.e.: Guest Speaker or Expert Trainer) then the Independent Contractor form needs to be completed before the guest performs services.
 - c. The Accounting Manager/Grant Accountant will review and process all grant requisitions and check requests to insure compliance with the contract budget and then forwards the requests to the Accounts Payable or Purchasing Departments for processing. **No grant requisitions are to be entered into the system before the Accounting Manager/Grant Accountant reviews them.**
 - d. For year-end purposes, every effort must be made to requisition items to allow for ample processing and receiving time. Payment of the invoice needs to be included in the year end grant close. The purchasing department sends out an email each year end to designate the time limitation on purchasing orders. The Accounting Manager/Grant Accountant will work closely with each of the Grant Managers to help maintain a cohesive time schedule for year-end grant purchases. All purchases must be received by the date indicated for close-out in order for the charge to be reflected in the current year end close.

2. Requests for Funds/Reimbursements from the Funding Agencies

- a. As noted below under Reporting Requirements, reports of expenses incurred are billed to the various funding agencies requesting funds to be released to the College District for reimbursement. Proper approval is obtained before the invoice/billing is sent to the funding agencies for reimbursement.
- b. Notification of impending funds is sent to the Accounting Clerk by the Accounting Manager/Grant Accountant, along with the proper budget code. The Accounting Clerk notifies the Accounting Manager/Grant Accountant when funds are received and makes the input into the general ledger system.
- c. These funds are deposited into the College District's bank account by means of a wire transfer, direct deposit, or in the form of a check. All funds are deposited into the depository account located in Brenham.
- d. The Accounting Manager/Grant Accountant files the expense requests and fund receipts into the individual grant files.

3. Financial Reports/Reconciliations

On a monthly basis, the grant financial information is reconciled to the general ledger and supporting documentation by the Accounting Manager/Grant Accountant. At the end of the reconciliation process, reports in the form of financial spreadsheets, trial balance, and the budget director's report is generated by the Accounting Manager/Grant Accountant and disseminated to the Grant Managers for review. These reports are generated from the General Ledger system and interfaces with all other systems. The reports show all funds expended and all funds received to date on the Grant with comparisons to the budget. **For grants extending beyond Blinn College District's fiscal year (prior to Sept. 1), a report is generated for the period of time to indicate the year-to-date activity.**

14.4.3 Budgets, Revisions, Changes and Overages

1. The preparation of annual budgets is prepared by the Grant Manager with the assistance of the Accounting Manager/Grant Accountant. Grant budgets are submitted to the funding agency based on the funding agencies time requirements.
2. When a monetary disparity occurs within a Grant, this may signal that a Budget Revision will need to be processed. The Grant Manager should contact the Accounting Manager/Grant Accountant for possible correction of negative balances to check for misclassification of expenses before a budget revision is done.
3. For overages and underages, the Grant Manager will request a budget amendment or revision to the funding agency as required in the contract. Once the amendment is approved by the funding agency, the Grant Manager forwards a copy of the amendment to the Accounting Manager/Grant Accountant to revise the budget in the general ledger system.
4. When a Grant exceeds the authorized budget, the funds must be covered by other funds allocated to the College and **will not** be recoverable by the Grantor. **Therefore, every effort must be made to ensure that the expenditures are adequately covered by the funds authorized by the Grant.**

14.4.4 Reporting Requirements

1. Reporting requirements are necessary to show completion of performance and/or for funding needs and for audit purposes. Reporting requirements follow the rules set forth by the funding agencies and Blinn College's policies.
2. All contracts, reports, and closing documents are kept in the Grant file maintained by the Grant Accounting office. The reports kept are monthly reconciliations, expense reports filed with the funding agencies, correspondence, payroll documentation, copies of purchase requisitions and expense charges. Documentation is kept for five years in the Grant Accounting office.
3. At the close of each grant, a Final Closure Report is completed by the Accounting Manager/Grant Accountant in accordance with contract terms. The report(s) are reviewed and approved by the Grant Manager. All reports are forwarded to the funding agency.
4. Other reports, in the form of program management, are the responsibility of the Grant Manager. Other reports can consist of Quarterly Programmatic Status, Labor Reports, Evaluation Reports, Interim Reports, or Plans of Approach Reports. Copies of reports can be forwarded to the Grant Accounting office.
5. Final grant reporting is dealt with below, under Grants Closure.

14.4.5 Grants Closure

1. At the end of the Grant term, the equipment purchased with Grant funds may need to be returned to the grantor or may continue to be used by the college. If the item is disposed of, the funds generated must be segregated and deposited back into the fund account from which it originated. **In all cases, the original Grant contract must be consulted to determine the proper mode of disposal and any resulting fund disbursement.**
2. The Accounting Manager/Grant Accountant will begin a review of each Grant 30 to 45 days prior to the close of the Grant to note any discrepancies, balance problems, and un-expended funds. The Grant Manager will be made aware of all findings in a timely manner.
3. The Grant Manager is responsible for follow-up on outstanding purchase orders/open encumbrances to insure receipt of goods prior to close.
4. The Grant Manager must review the budget reports presented by the Accounting Manager/Grant Accountant to expend all funds before closure of the Grant.
5. Expenses recorded on behalf of the Grant, after the Grant has been closed, will be covered by other funds allocated to the College and **is not** recoverable by the Grantor. It is imperative that all expended funds are accounted for and reported on the closing documents for proper reimbursement to Blinn College District.
6. Final financial reports for funding are prepared by the Accounting Manager/Grant Accountant and sent to the Grant Manager for approval. Other required final reports may be prepared by the Grant Manager in compliance with contract terms. Any final reports requiring Vice President or President approval are sent to the proper administrator for signature.

14.4.6 Year End Accounting

1. In general, a Receivable for grant funds owing but not received is recorded at the end of the fiscal year. This will ensure that grant funds expended are completely offset by grant income.
2. When an individual grant's fiscal year differs or overlaps from Blinn College's fiscal year end, accounts with negative balances must be revised by the Grant Manager before August 31, **as no negative balances will be carried into the new fiscal year.** If budget changes are not made to resolve negative balances, the Accounting Manager/Grant Accountant will determine what positive accounts will be debited to cover the negative grant budget accounts. See Item 2, Grants Closure, above.

14.4.7 Grants Auditing

1. Grants are subject to audits from external auditors, the funding agency, or both. Audits may vary from annual to every three to four (3 to 4) years. Files are kept in the Grant Accounting office and by the Grant Managers, according to responsibility. The Accounting Manager/Grant Accountant is involved in all grant audits as well as in attendance at the audits.
2. During the grant award period, there may be times when the Grant Accounting office will be required to audit grant partners. This will be for compliance issues within the contract with the funding agencies. The partners will be notified in advance. All grant audit reports are sent to the Grant Manager, funding agencies, and the external auditors. A file copy is kept in the Grant Accounting office.

Other Miscellaneous and Auxiliary Operations

15.1 Intent

To provide procedures that will be in compliance with the objectives as stated in the Blinn College District Policy Manual for: Sales of Services and Goods, Section CQ (Legal).

15.2 Scope

The scope of this section is to specify procedures to be followed when using various auxiliary services, incidental to the operations of the College, as outlined below.

15.3 General Guidelines

15.3.1 Board Policy for Auxiliary Operations

Blinn College District Board Policy, Section CQ (Legal)

The District is expected to provide its students and community with appropriate services which are necessary to its student's, or the performance of its basic mission as established by its founding charter and directed by the State of Texas Higher Education Coordinating Board.

The District may provide services to its campus communities even though such services are available elsewhere providing that:

1. The services satisfy reasonable educationally related needs of the District's community; i.e., campus newspapers, campus bookstore, campus dining facilities, and the like.
2. The activity is deemed to be an integral part in the fulfillment of the institution's teaching and public service mission and other educational support activities, without regard to surplus revenue.
3. The activity is needed to provide an integral good or service at a reasonable price, on reasonable terms, and at a convenient location and time.

15.3.2 Description of Auxiliary Services

Auxiliary Services are those which are operated for the benefit of the students, faculty and staff and which are intended to be self-supporting. Some require special procedures which have been outlined below: Food Service and Library. Others have been addressed in deposits & receipts of the **Student Financial Records** section of this manual. **Facilities Rental** has been addressed in a separate section in this manual.

Some services are owned and operated by independent companies under contract to Blinn College, such as the College Bookstores, and therefore, do not need to be addressed in this manual.

15.4 Specific Guidelines - Food Service

1. Each register is cleared at least once a day.
2. To clear a register, a tape is run that will total the activity on that register by Cash Receipts, Voids, Refunds, Gross Sales and Net Sales.
3. The Ending Register Balance less the Beginning Register Balance must equal the Sales as reported on the tape for the day and will become the Cash to Be Accounted For (and the deposit for the day).
4. The cash in the register is counted and, after subtracting the beginning working fund, must equal the above Cash to Be Accounted For.
5. Any overages or shortages should be researched at this time and must be noted on the Business Office Cash Sheet for the report to be in balance.
6. The Business Office Cash Sheets and Cash are taken to the College Business Office.
7. The College Business Office will recount the deposit and recalculate checking the accuracy of the attached Cash Sheet.
8. Refer to Normal Depositing Procedures outlined in 4.4.3.1.4 Student Financial records section.

15.5 Specific Guidelines - Library

1. The Library receives payments for Book Fines, Tape Copies, Copying Machines and Fiche & Film Copies.

2. A deposit memorandum will be prepared separately for each of these items and will be sent to the Business Office with the cash or check receipts
3. The memorandums will be used to enter the receipt information into the system and to indicate which accounts are to be credited.
4. The Business Office will deposit these receipts according to the deposit procedures outlined in the **Student Financial Records** section of this manual.